JPRS 76174
7 August 1980

Latin America Report

No. 2173

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BRAZIL MAY BUY ARGENTINE AIRCRAFT; JOINT VENTURE STUDIED

Demonstration by Argentines

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Jul 80 p 4

[Text] Sao Jose dos Campos--Brazil may buy an aircraft built by Argentina, the Pucara, whose major feature is its effectiveness in combating guerrilla forces, military sources in Sao Jose dos Campos revealed yesterday. These same sources assert that negotiations in the sector are part of "intense commercial interchange" between the two countries, as a result of President Joao Figueiredo's visit to Buenos Aires last May.

"With our country buying from Argentina equipment it needs and Argentina buying from Brazil materiel it would normally buy in the Northern Hemisphere, the result will be a strengthening of Latin America and a partial reduction of the continent's external dependency in the technological sector," the sources added.

To invigorate negotiations, an Argentine delegation of 24 members headed by Air Force Gen Ubaldo Afonso Diza arrived in Sao Jose yesterday, where they visited the Aerospace Technology Center.

This morning Argentine experts will demonstrate the A-58 Pucara aircraft produced by the Military Aircraft Factory (FMA), owned by the Argentine government and installed in Cordoba, with 3,500 employees.

Twin-Engine

The Pucura is a twin-engine turboprop monoplane for a crew of two and with a top speed of 485 kilometers per hour. It has two 20-millimeter cannons and four 7.62-millimeter machineguns and can carry 3,000 liters of fuel.

According to reports, this aircraft was used successfully by the Argentine armed forces in the latter part of 1976, when that country's government intensified combat against guerrilla groups in northeastern Argentina.

With the success of this operation, the Pucara gained fame in this type of application and the management of the Brazilian Aeronautics Company (EMBRAER)

admitted yesterday it does not manufacture a similar aircraft. For this purpose Brazil has only the Xavante, a jet aircraft used for training and military operations, but too fast for use against guerrilla forces.

Another aircraft that can be used for this purpose is the T-27, whose prototype is to have its first flight next month. However, it is a single-engine turboprop to be used exclusively for training at the Air Force Academy.

Origin

The IA-58 project began in August 1966 and originally was named the Dolphin. After its first flight, however, it began to be called the Pucara, which is the name of a stone fortress built by the Indians that used to inhabit Argentina.

The first prototype was flown in December 1967 and the second flight was made 2 years later.

Joint Production Being Negotiated

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 2 Jul 80 p 4

[Text] Sao Jose dos Campos--Brazil and Argentina are likely to renew negotiations today for joint production of a subsonic military pursuit aircraft during the meeting that members of the Argentine delegation visiting Brazil will have with the management of the Brazilian Aeronautics Company (EMBRAER) in this city.

Now known only by the initials AX, the binational aircraft is in an advanced stage of technical study by EMBRAER and may be made starting in 1985. With the purpose of reequipping and modernizing the air forces of various nations in Latin America, Asia and Africa, the military jet will be able to reach an average speed of 1,100 kilometers per hour and its cost will be about $2.5 million per unit.

Brazil-Argentina discussions on aeronautical cooperation began last year when a delegation from the Air Ministry was in Buenos Aires and were continued last March during the visit to Brazil by Air Force Gen Omar Graffigna, commandant of the Argentine Air Force and a member of the military junta that governs the country. Negotiations were resumed last month, when another Brazilian Air Ministry delegation visited Argentina.

Pucara

Argentina experts yesterday demonstrated the Pucara IA-58 twin-engine aircraft at the CTA (Aerospace Technology Center) airport in Sao Jose dos Campos. It is a monoplane for two crew members that is armed with two cannons and four machineguns.

EMBRAER directors said that Brazil may acquire some Pucara units and thus increase the volume of business with Argentina. The company's marketing director, Ozilio da Silva, said that "although a multipurpose aircraft, it is most suitable for combating guerrilla forces." He remarked, however, that "today the concept of guerrilla warfare has changed, making techniques used a decade ago obsolete."

8834
CSO: 3001

BRIEFS

ECUADOR'S ATTITUDE TOWARD BOLIVIA—Mexican President Jose Lopez Portillo has congratulated his Ecuadorean colleague Jaime Roldos for the attitude he has assumed toward the situation in Bolivia, acting Foreign Minister Mario Leman said. He added that the Mexican president, in a telephone conversation, expressed his support for Roldos' future efforts regarding this problem. He also said that the Mexican Revolutionary Party, in support of our country's attitude and in solidarity with the Bolivian people, will organize a meeting in this capital [as heard] with the participation of all Latin American democratic parties. [Text] [PA240334 Quito Cadena Ecuador Radio in Spanish 2300 GMT 23 Jul 80]

ECUADOR CONGRATULATES MEXICO—The Foreign Ministry has released the text of the cablegrams exchanged between acting Foreign Minister Mario Aleman Salvador and Mexican Foreign Secretary Jorge Castaneda regarding the Mexican Government's position in defense of Mexico's marine resources. Ecuador congratulated Mexico for defending its marine resources. [Text] [PA201602 Quito VOZ DE LOS ANDES in Spanish 1230 GMT 20 Jul 80]

ARGENTINE AMBASSADOR TO BAHAMAS—The ambassador-designate of the Republic of Argentina, Dr Juan R. Aguirre Lanari, arrived this morning for a 3-day visit to the Bahamas. Accompanying the ambassador is the embassy secretary, Mr Hernan (Cerruti). The ambassador-designate will call on External Affairs Minister Paul L. Adderley tomorrow. On Thursday he will present his credentials to Governor General Sir Gerald Cash at Government House. He will call on Prime Minister Lynden Pindling the following day. After this, the ambassador and his party will leave the Bahamas. [FL222358 Nassau Domestic Service in English 1700 GMT 22 Jul 80]

CSO: 3020

PRESS UPDATE ON OIL-RELATED DEVELOPMENTS

Government Petroleum Policy Restated

Buenos Aires LA PRENSA in Spanish 27 Jun 80 p 6

[Text] Dr Adolfo Silenzi de Stagni presented further specific statements in reiterating his observations on current petroleum policy and in particular on the concealment of a recent discovery of petroleum and natural gas in the southern marine basin, which took place during a press conference on 19 June.

On that same day, the YPF [Government Petroleum Deposits] authorities published an announcement stating the following: "Regarding statements attributed to Dr Silenzi de Stagni, YPF, Government Company, announces that these statements contain a series of inaccuracies and falsehoods and that there is no justification for a detailed analysis of these statements."

In a press announcement released yesterday, Dr Silenzi de Stagni affirmed that "this surprising and blunt statement seeks to avoid a clear response on points which are of the highest public interest."

Dr Silenzi de Stagni emphasized that "the government companies administer assets which belong to the people and they therefore have an obligation to account to the citizenry for their actions."

Questions

"They should be concerned with removing the slightest suspicion of unethical conduct and they should provide information on their stewardship with veracity, without underestimating the critical judgment of public opinion. This is why I urge the authorities of YPF to answer the following points specifically:

"(1) Whether it is true or false that the well called Ciclon, drilled by the semisubmersible platform called General Mosconi, between 2,800 and 4,000 meters, went through four petroleum-containing and gas-containing strata of great commercial interest in the southern marine basin.

"If they reply that this is a false statement, then I will contact the Military Junta, asking it to establish an investigating commission made up of members of the three services who have no connections whatsoever with the private petroleum companies, with YPF, and with the Ministry of Economy.

"This commission will have to take depositions from all personnel engaged in various functions on that platform. This is a facility with 80 workers who put in 12-hour shifts for a period of 15 days, followed by 15 days off-duty on land. It will also have to take statements from the platform operations chief, Mr W. Bird, and Capt Jose Salas, who is in charge of the maritime phase.

"For further information, the discovery I am referring to is located at the intersection of the following geographic coordinates 53° 51' 52" South latitude and 65° 35' 52" longitude.

"(2) Whether it is true or false that the YPF authorities signed a so-called 'implantation' contract--a rather smart term whose significance I am not familiar with but which definitely involves the free loan of the General Mosconi platform to Esso and its associates so that they may meet the obligation of drilling six wells in the East II area of the southern marine basin.

"Associating the famous name of Gen Enrique Mosconi with ex-Standard Oil of New Jersey (today Exxon), which he fought so hard, naturally does not fail to inject a note of twisted humor into this situation.

"If the YPF authorities deny that such a contract exists, then I will turn over a photocopy of that contract to the National Office of Administrative Investigations. This contract was signed on 27 December 1979."

Other Topics

"I believe that, once the YPF authorities answer those two points, the way will have been cleared for us to concern ourselves with other topics connected with petroleum policy and affecting national sovereignty or seriously compromising the assets of YPF. Let me give some examples below:

"(a) The thesis sustained by the government of the United Kingdom, suggesting that negotiations, which are underway concerning the return of the Malvinas Islands, be taken out of context or be postponed, with the objective of establishing 'economic cooperation' between Great Britain and Argentina as a priority topic aimed at the prospecting and exploitation of petroleum in Argentina's continental shelf. There was unconditional support by the Ministry of Economy for this thesis by the British government and the ministry presented this thesis in public as if it were the opinion of the government of Argentina.

"(b) Failure to publicize a large number of contracts similar to the one with California Argentina during the Peron administration and those signed during the administration of Dr Frondizi, with the difference that the current contracts are supposed to be under a secret classification. Publicity for government actions is a part of the essence of any republican system and this principle is violated when these contracts are not being published, at least in BOLETIN OFICIAL.

"(c) Technical requirements connected with the exploitation of petroleum and the impossibility, on the part of YPF, since it does not have trained personnel, to be able to exercise effective control, which would prevent a selfish contractor from taking out a maximum possible volume of petroleum in the shortest possible time--the sort of thing which causes irreparable damage to the national assets due to the premature exhaustion of deposits or due to a decline in the total quantity of petroleum which could have been recovered if the contractor had operated in an efficient manner.

"(d) Overpowering character of certain contracts forcing YPF to commit themselves to pay, for the petroleum taken out by the contracting firms, at a price tied to the international market, so that, when OPEC raises the price of petroleum, the price billed by the contractors for the petroleum taken out of the country's deposit, will automatically go up also. In other words, this would be as if we were to 'import' our own petroleum which is taken out of the deposits discovered by YPF, developed by YPF, and virtually 'handed on a silver platter' to private enterprises.

"(e) Monopolistic character of drilling contracts, which made it possible to impose prices which are 700 percent higher than those on the international market and even higher if we compare them to the costs of YPF when the wells are drilled by it.

"(f) Undermining of YPF in various areas. YPF is the only petroleum enterprise in the world which was integrated vertically from exploration all the way to the sale of byproducts, whose real earnings, deriving from the sale of these byproducts, do not even cover half of its expenditures going to contractors, which have caused growing and gigantic foreign indebtedness on the part of YPF. The latest YPF loan has just been negotiated by Dr Klein in the United States.

"The simple listing of these points," Dr Silenzi de Stagni concluded, "reveals the need for a broad investigation on the results of current petroleum policy, where similar cases of immoral and tremendous enrichment of individuals and enterprises have come up, as evidenced in connection with the liquidation and intervention of various banking and financial institutions."

YPF Comments

When the government petroleum enterprise was questioned concerning the statement by Dr Silenzi de Stagni, we were told that the agency had nothing

to report on this movie today (in other words, yesterday) since it is evaluating these and other reports and denunciations made by the same person earlier.

Oil, Gas, Energy Output Up

Buenos Aires LA PRENSA in Spanish 25 Jun 80 sec 2 p 4

[Text] The output of petroleum last month came to 2,399,900 cubic meters, a figure which is 108,500 cubic meters higher than during the same month last year (2,291,400 cubic meters), in other words, an increase of 4.7 percent.

Thus, the extraction volume between January and May came to a total of 11,797,100 cubic meters, which, compared to last year's figure, which was 11,173,400, indicates an output increase of 6.23,900 cubic meters or a rise of 5.6 percent.

As far as petroleum imports are concerned, the same rising tendency was observed during May as during the earlier months of this year. During the period of January-May, we imported 1,092,500 cubic meters, as against 691,300 cubic meters during the same period of time 1979, in other words, an increase of 391,200 cubic meters or 56.7 percent.

The differential increase in expenditures was much more accentuated by virtue of the product price rises. Thus, for the first 5 months of this year, we invested $725,387,800 as against $92,686,500 during the same period of time last year, in other words, the difference of $132,701,300 marks an increase of 141.2 percent.

Gas and Coal

The report released by the Energy Secretariat also notes that, last May, the injection of natural gas at the head of the gas pipeline came to 873.2 million cubic meters, as against 830.3 million cubic meters during the same months last year, in other words, the difference of 44.9 millions signified an increase of 5.4 percent.

For the first 5 months of this year, the injection of gas came to 3,765.7 million as against 3,489.3 million cubic meters during the period of January-May 1979, with the difference of 325.9 millions representing an increase of 9.5 percent.

As for the production of marketable coal, during the month being analyzed, it came to a total of 34,700 tons, whereas in May of last year it was 70,100, which is why the difference of 35,000 tons represents a decline of 50.6 percent.

The output during the first 5 months was 196,700 tons, as against 263,600 during the same period of time last year, in other words, the difference of 66,900 tons accounts for a drop of 25.4 percent.

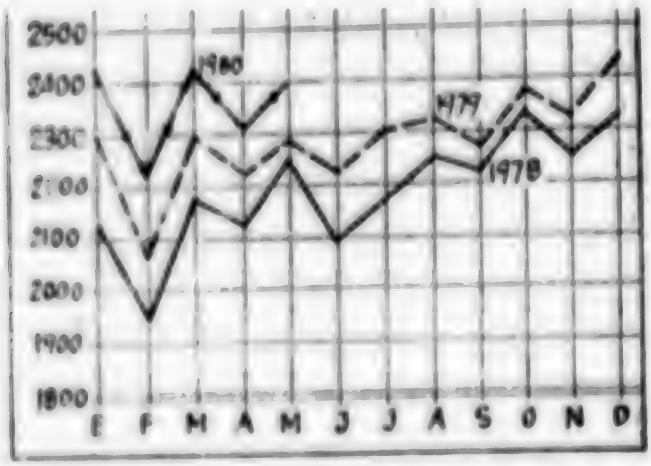
Electric Energy

Finally, the report indicates that electric energy generation in public service power plants in May came to [illegible] Megawatt-hours, as against [illegible] during the same month last year, so that the difference of [illegible] Megawatt-hours signifies an increase of 10 percent.

During last January-May, electric power generation came to 14,743,173 Megawatt-hours as against 13,193,187 last year. In other words, the difference of 1,549,986 Megawatt-hours signifies an increase of 11.7 percent.

Out of the total energy generated during these first 5 months (the difference with respect to 1979 being shown in parentheses), 5,107,808 Megawatt-hours were taken by Water and Electric Energy (8.4 percent more); 3,250,996 went to SEGBA [Greater Buenos Aires Electrical Services] (4.9 percent more); 982,021 went to the former CIAE [Italo-Argentine Electric Power Company] (up 18.3 percent); 528,011 were taken by DEBA [Buenos Aires Power Administration] (10.1 percent less); 703,597 were delivered to EPEC (up 26.7 percent); 2,193,115 went to HIDRONOR [North Patagonia Hydroelectric Company] (up 31.5 percent); 536,882 went to CNEA [National Atomic Energy Commission] (down 44 percent); 1,040,937 went to Salto Grande and 299,806 went to other sources (up 5.1 percent).

Total output (in thousands of cubic meters)



Key: E - January

Charge Petroleum Discovery Concealed

Buenos Aires LA NACION in Spanish 20 Jun 80 p 14

[Text] In the course of a press conference yesterday, Dr Adolfo Silenzi de Stagni sharply questioned petroleum policy; in the past, he had held

the chairs of national resources and of mining law at the national universities of Buenos Aires and La Plata.

The "Ciclon" Well

In starting his presentation, Dr Silenzi de Stagni pointed out that "in recent days we have had a discovery of significance similar to the one on 13 December 1907 when petroleum was found in Comodoro Rivadavia."

He said that the "Ciclon" well, drilled by the General Mosconi semi-submersible platform, about 150 kilometers southeast of Rio Grande and about 75 kilometers from Cape San Pablo, in the sea adjacent to Tierra del Fuego, was programmed to reach 5,500 meters but that drilling was stopped at 4,400 meters. However, between 3,800 and 4,400, strata with signs of abundant petroleum and gas were drilled through.

1,500 Cubic Meters Per Day

"In summary," he emphasized, "this is the first petroleum and natural gas well discovered in the ocean which offers a commercial yield and where initial estimates enable us to look forward to a yield of something like 1,500 cubic meters per day.

"We do not wish to judge the intentions behind the concealment of this information since it is preferable for public opinion to draw its own conclusions."

Platform

Dr Silenzi de Stagni then went into a consideration of the operation of the General Mosconi exploration platform which he considered inefficient. He also indicated that the figure of $150,000 per day, collected by the Bridas Enterprises and its associates, for operating the platform, is a "record figure in the world for this kind of operation."

Dr Silenzi de Stagni then questioned the accord between YPF and ESSO, under which the latter takes care of the operation of the platform. He termed the cession by this government agency to ESSO as a gratuitous loan, while "YPF will continue to make semiannual payments according to the purchase agreement."

Self-Sufficiency

Later on he added: "With respect to self-sufficiency, we say with certainty that this is a goal which can be achieved in less than a year through the exclusive effort on the part of YPF and without the 'aid' of foreign or domestic private companies. We need to increase the output by only 4 million cubic meters and this can be done by concentrating our drilling efforts in a single province: Mendoza.

"Self-sufficiency can be achieved in a very short time by giving back to YPF the financial and technical capacity it has before the current economic team took over, using only the deposits on land."

Abundant Reserves

Later on he pointed out that very few "gigantic" deposits remain to be discovered in the world. He indicated that one of them would be the Southern Marine Basin and the Malvinas Basin, according to a large number of United States and British geologists. "The Argentine continental shelf," he said then, "has a minimum potential on the order of 20 billion cubic meters of petroleum, which places us among those countries of the world which have the highest reserves."

The Malvinas Islands

He then recalled that, from the beginning of 1979, from the moment when Great Britain took charge of the complete geophysical report dealing with the potential wealth in the Argentine Sea, it introduced the following argument as a negotiating point with Argentina concerning the issue of the Malvinas Islands: "Great Britain and Argentina could transform the disputes on sovereignty over the islands into a factor of cooperation between the two countries."

"This British idea," he noted, "has been warmly supported by Dr Martinez de Hoz on numerous occasions, the last time during his recent visit to London, when he once again invaded the sphere of the foreign ministry in talking about the topic of the Malvinas Islands and the advantages of economic cooperation without any strings attached.

"We maintain with full firmness that with the only country with which no ... [original ends at this point].

No Priority Petroleum Search

Buenos Aires LA PRENSA in Spanish 28 Jun 80 p 12

[Text] Posadas, Misiones (NA)--YPF spokesman said that, in view of the characteristics of the soil in Misiones, priority in prospecting for hydrocarbons in the province is a secondary thing in the company's plans.

They also made it clear that there is no knowledge as to possible hydrocarbon prospecting activities in the nearby border areas of Paraguay and Brazil, in spite of the flow of communications being maintained with PETROBRAS [Brazilian Petroleum Corporation], the Brazilian Petroleum Government Company.

The information supplied by these spokesmen deals with news disseminated here to the effect that a small helicopter, in the Itaipu area, north of Misiones, was engaged in prospecting work, using a modern method, which

includes the transmission of results directly to the central offices of the company located in Nassau.

The YPF spokesmen recalled that Misiones is on one of the biggest sedimentary basins in South America, the one of Parana or Chaco-Paranaense, covering an area of 1.6 million square kilometers, of which 1 million square kilometers are located in Brazil, 400,000 in Argentina, and 200,000 in Paraguay and Uruguay.

Nonmarketable Discoveries

They added that, in spite of major prospecting efforts made in the basin by the countries sharing it, it has so far been impossible to discover "marketable" hydrocarbons.

The sources mentioned revealed that there were some indications although they made sure to refer to them as "subcommercial."

After pointing out that priorities in the matter of prospecting arose for the country regarding the Neuquen Basin, the Bay of San Jorge, the Southern Basin, and the Paleozoic area of Salta and Jujuy, the source revealed that drilling was done in the Basin of Parana, in the provinces of Chaco, Entre Rios, Santa Fe, Cordoba, Santiago del Estero, and Salta in search of hydrocarbons.

Nonpriority Zone

He added that these drilling operations are part of the priority effort which however does not include the provinces of Corrientes and Misiones as a result of the characteristics of the subsoil in the region and in spite of the fact that it is a part of the basin.

The spokesman explained that the presence of basalt or intercalated volcanic rocks and sandstones, whose layer in Misiones exceeds 1,000 meters in depth, does not make it feasible to use methods disclosed so far in prospecting work.

One of the methods which cannot be used in Misiones is the so-called seismic explosion method which consists in detonating the explosive in a well so that the seismic wave may bounce back in the subsoil layer at which it is aimed and so that it may be analyzed on the surface by special equipment designed to determine its composition.

The deep layer of volcanic rocks, which is on the surface in this province, it was explained, absorbs those waves which cannot clearly reach the lower layers.

The source commented that a country, such as Argentina, which has other sedimentary basis for easier prospecting, must establish an order of priorities.

He added that the requirements of Brazil are different; Brazil produces only 9 percent of the petroleum it consumes and is therefore forced to go into "blind" prospecting.

Finally, the spokesman said that countries which have a shared hydrocarbons basin must explore it on the basis of international standards and establish agreements in this respect.

New Petroleum Platform Arrives

Buenos Aires LA PRENSA in Spanish 29 Jun 80 sec 3 p 1

[Text] The first private submarine petroleum drilling platform reached Argentine territorial waters; it will be stationed in one of the areas recently licensed by the national government.

"Interocean II," which is the name of the platform, belongs to the Shell Company and was moved by two tugboats which brought it from the Gulf of Mexico; it is estimated that it will reach the assigned area off Kuilla Point and Puerto Santa Cruz approximately by the middle of next month.

The inclusion of this drilling complex will raise the number of prospecting platforms, operating in the country, to two, since YPF has one platform which is also operating in southern Argentine waters.

5058
CSO:3010

STATISTICS SHOW EFFICIENT, IMPROVED AGRICULTURAL SECTOR

Buenos Aires LA OPINION in Spanish 12 Jun 80 p 14

[Text] The undersecretary of the agrarian economy, Enrique Gobbee, asserted that "productivity on the Pampas is one of the highest and most advanced in the world" and he lauded the developments in a number of regional economies.

He spoke on the topic "an analysis of the productivity of Argentina's agricultural sector" during the ceremony at which the annual prize commemorating the 10th anniversary of the Argentine Association of Agrarian Economy was awarded.

The award was bestowed on the National Institute of Agricultural and Livestock Technology (INTA) and the Inter-American Institute of Agricultural Sciences (IICA).

He contended, first, that "there are many figures that show us the spectacular and unprecedented jump that our agricultural and livestock sector has made over the last 40 years."

In this connection, he said that "output expressed in dollars, which rose from $8 billion to $15.7 billion in just 4 years, is not by itself a convincing assertion, because many people would say that world prices have gone up or that a dollar is not worth what it used to be."

Citing statistical data, he explained that the increase in millions of kilogram/calories for the 1969/70-1978/79 period was 29.9 percent, while over the same period the tonnage output of proteins rose 46.8 percent. He then stressed that "86 percent of the kilocalories that we produce come from the Pampas."

He felt that "productivity on the Pampas is one of the highest and most advanced in the world," asserting that "with our grain output we are one of the five countries that have surpassed 1,000 kilograms per inhabitant, and in terms of seeded hectares, we have over 1,400 kilograms per inhabitant."

He stated that "as far as our food productivity is concerned, the figures show that we are in fourth place with 173 kilograms of protein per inhabitant per year and in fifth place with 4.8 million kilocalories per inhabitant per year. Our level is similar to Canada's," he added, "below the United States and Australia in the amount of protein produced."

With regard to the efficiency "of our regional economies, we can point to many that are highly advanced, while others, because of their newness or because they are in an expansion period, present unit yields that are far below the levels of our competitors on the international market."

8743
CSO: 3010

PRESS COMMENTARY ON INSTABILITY OF GRAIN SECTOR

Buenos Aires LA NACION in Spanish 28 Jun 80 p 8

[Editorial: "Agricultural Question Marks"]

[Text] At this time of the year, the lands are being plowed, and the winter wheat and grain crops are being planted. In recent times these crops have not accounted for as much of the country's grain output as they used to, because of the shift to grain sorghum and soybeans in particular. But wheat is still an extremely important crop, and fluctuations in its production not only have domestic and foreign economic impact but carry political overtones as well. Greater importance is attached to the successes and failures of the wheat harvest than cold statistics would suggest because from ancient times wheat has been the main source of man's nourishment over most of the world and is linked to the satisfaction of basic needs. Moreover, in Argentina any accident that occasions a meager harvest, that leaves a scant surplus for export is tantamount to a failure because of the grain's traditional abundance.

Suitable agricultural conditions were established once again starting in 1976, and thus harvests of more than 30 million tons of grains and oilseeds were recorded. The main tools for this renewed push were the return of confidence in private property, the elimination of the state's marketing monopoly and the disappearance of export taxes. This led to the utilization of new technologies and the planting of new crops, while over time pesticides and fertilizers became available at prices that farmers could afford. All of these changes, helped by several years of rainfall that dovetailed with crop needs, could be seen in farm yields. Only in the most recent season, 1979/80, were there major handicaps, consisting of late frosts that damaged wheat fields and a widespread drought that caused a falloff of about 20 percent in the coarse grain harvest. A totally unforeseen commercial development, the U.S. embargo against the Soviet Union, partially offset the drop in farm income and postponed the difficulties that were expected from the combination of smaller harvests and depressed prices.

The new wheat season has begun amid obviously unstable conditions. The American embargo is still in effect, although if it were to continue, it would operate in an appreciably different context, with an outlook of larger wheat supplies due to increased planting in the United States, Canada and in the Soviet Union and its Eastern European satellites as well. Environmental conditions look promising so far, and all indications are that output will be sizable; thus, supply lines will again operate smoothly, and the Soviet Union will be able to rebuild its stocks. The demand from other nations will depend on their respective output levels, but we must not forget that the rise in crude oil prices will not permit overly generous situations to prevail. We will have a clear view of the world wheat outlook in the next 2 months, because the harvest from the northern hemisphere accounts for 90 percent of world output. The prospects for exporting countries do not look too good, however.

This is why the question marks regarding the profitability of the previous harvest are still with us. Argentina will probably again have to sell in competition with traditional wheat exporters, and our farmers and exporters will have to accomplish this amid a growing disparity between developments in domestic costs and exchange rates. In addition, although the flooding in Buenos Aires has not hit farming regions, the fields in general have been excessively wet, and their receptiveness could be jeopardized by the influx of cattle from the flooded regions.

The wheat season and the farm season in general constitute a significant test for growers. Seed sales allegedly indicate that they intend to plant about as much as last year, but we must remember that the harvest is the result not only of how much is planted. It also depends on the climate, the duration of farm work, the application of costly pesticides and fertilizers and how large an area a grower ultimately decides to harvest. Moreover, all of this is tied to profitability, which, as we have noted, poses some question marks. In speaking at the Grain Exchange, the economy minister promised that a number of measures would be taken, and they are certainly being awaited with great interest.

8743
CSO: 3010

GRAIN SOWN AREA ESTIMATES ABOVE LAST YEAR'S FIGURES

Buenos Aires LA PRENSA in Spanish 27 Jun 80 p 1

[Text] According to the investigations that the nation's Agriculture and Livestock Secretariat has conducted as of 15 June, the area sown with wheat for the 1980/81 season totals an estimated 5.48 million hectares, up 9.9 percent from the 1979/80 farm year.

If the figure is compared to the averages over the 1975/76-1979/80 5-year period and to the 1970/71-1979/80 10-year span, it is down 1.3 percent and up 4.8 percent, respectively.

The report accompanying the estimates indicates that the abnormal weather conditions prevailing in the Pampas growing region in April and May have considerably delayed the gathering of the coarse grain harvest, thus making fewer parcels available for plowing; moreover, the surface area ready for planting cannot be sown because the soil is too wet.

Scheduled plantings will depend on how weather conditions develop.

Farming Provinces

The planting areas will increase in all of the farming provinces in the Pampas region. There will be a major 59 percent increase in La Pampa, with Santa Fe up 16.9 percent and Entre Rios up 9 percent.

We should recall, the official report says, that wheat was grown over a smaller area in the first mentioned province, because during the planting season the southern departments were hit by a severe drought. They will be returning to their traditional levels for this season.

Santa Fe and Buenos Aires

In Santa Fe, the area under cultivation will increase because many hectares were not sown with a second soybean crop over wheat stubble, due to the lack of adequate rainfall in December and January. Grower expectations of quick income are also a factor.

Elsewhere, the seemingly insignificant 3.3 percent increase in Buenos Aires is not that insignificant if we consider the atypical conditions in which farming is being pursued in this province, inasmuch as it was the hardest hit by the April rains, and in fact much of its central region was flooded.

It is therefore difficult to pinpoint future developments in the area under cultivation (about 1 million hectares), the report points out. Nevertheless, a definite increase is expected over the previous season in the south and southeastern sections of Buenos Aires. Last year, the lack of rainfall during the preplanting and planting stages precluded the cultivation of the traditional number of hectares.

Heading the list of wheat-sown areas is Buenos Aires Province with 2,970,000 hectares, followed by Santa Fe with 980,000, Cordoba with 802,000, La Pampa with 540,000 and Entre Rios with 92,000; the other provinces account for 96,000 hectares.

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WHEAT EXPORTS TO USSR OVER HALF TOTAL GRAIN SALES

Buenos Aires LA PRENSA in Spanish 27 Jun 80 Sec 2 p 4

[Text] Exports of grains and byproducts over the first 5 months of the year totaled 6,702,218 tons, down 26 percent, or 2,296,004 tons, from the same period in 1979.

A breakdown by each individual grain shows that wheat was the only one to record an increase, as 3,388,228 tons were exported, up 27 percent from last year.

The sharpest drops were in coarse grains, as corn was down 43 percent and sorghum no less than 78 percent.

Eliminating the other grains from our analysis because they are of minor importance, we are left only with soybeans, which currently shows a drop of 46 percent, although this is largely due to the considerable delays in harvesting caused by the floods. In any case, about 10 percent of the harvest has yet to be gathered, and losses in keeping with the yields obtained are not being ruled out.

January-May Exports

The following are the export totals for each item during the period in question, compared with last year's figures: bread wheat, 3,388,228 and 2,677,352 tons; white wheat, 60,730 and 106,478 tons; corn, 1,674,684 and 2,922,562 tons; barley, 25,363 and 48,495 tons; oats, 58,787 and 60,699 tons; rye, 43,390 tons (no exports in same period in 1979); millet, 46,029 and 91,047 tons; grain sorghum, 367,332 and 1,645,985 tons; canary grass, 18,956 and 21,823 tons; peanuts, 21,526 and 14,168; rice, 240 and 18,561; soybeans, 285,392 and 526,645; flax, 49,285 and 11,412; byproducts, 662,276 and 852,744 tons. No sunflower seeds were shipped out, whereas from January to May 1979 just 20 tons were exported.

Destination of Grain Shipments

As far as the destination of the exports is concerned, we can see that the market was characterized by one major purchaser, the Soviet Union, which has so far absorbed 56 percent of total sales.

The best known reasons for these sales developments are the grain embargo, the availability of merchandise and price. We will recall that when the United States ordered its grain embargo, Argentina was the only or one of the very few countries that had immediately available supplies and did not back the U.S. move.

Thus, the Soviet Union offered to pay more than its potential competitors, not just to meet its needs but also to minimize costs at the warehouses that it had already contracted for. Price differentials thus channeled Argentina's supply to the Soviets, while causing other countries that needed grains to seek out other, lower-priced markets, mainly the United States.

Given these circumstances, the Soviet Union, whose share in the local market used to be no higher than 13 percent, absorbed half of our exports over the first 5 months of the year, while Holland, China, Italy, Peru, the FRG and others considerably reduced their purchases of Argentine grains.

The following are the export figures (in tons) for the two periods, plus the percentage change: Soviet Union, 3,744,240 and 670,128 tons (up 479 percent); Brazil, 902,168 and 729,579 (up 24 percent); Holland, 474,579 and 974,244 (down 51 percent); China, 465,404 and 974,237 (down 50 percent) and Italy, 251,344 and 1,034,948, a drop of 76 percent.

8743
CSO: 3010

NEW SILO TO STORE 100,000 TONS OF GRAIN

Buenos Aires LA NACION in Spanish 25 Jun 80 p 12

[Text] Resistencia--The newly expanded terminal elevator that the National Grain Board owns in the town of Barranqueras, by the river of the same name, 12 kilometers from this capital, will be officially inaugurated today.

The capacity of the installation was increased from 20,000 to 100,000 tons, which makes it the fourth largest in the country and the largest in the region. It will meet a need that has been highlighted by various grain growing sectors in the northeastern region of the country.

The ceremony will be attended by Agriculture Secretary Jorge Zorreguieta; the governor of the province, Gen Antonio Serrano; the undersecretary of public works, Federico A. Batrosse; the president of the National Grain Board, David Lacroze, and the interventor at the National Directorate of Grain Elevator Construction, Victor Pozzolo.

Description of Installations

The elevator was built by the Dycasa firm, Dragados y Construcciones Argentina SAICI, founded in 1968 and one of the largest in the country today.

The Barranqueras installations consist of 2 reinforced concrete batteries with 48 silos each, arranged in 3 rows of 16 units, which means that there are 14 "entresilos" [? spaces between silos].

The silos, which are 7 meters in diameter and 25 meters high, with an 800-ton storage capacity, rest on a platform 5 meters above the ground, thus forming a bottom corridor through which the stored grain is unloaded. At the top is another similar corridor for loading or distribution. Both the loading and the unloading are done on conveyor belts that take the grain to the various pieces of processing equipment. The installation is outfitted with a modern automatic system that enables a single operator to run the entire plant from the control room.

The National Directorate of Grain Elevator Construction, which is a branch of the Ministry of Public Works, was in charge of the project.

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CSO: 3010

IMPACT OF GRAIN EMBARGO GREATLY REDUCED

Buenos Aires LA NACION in Spanish 2 Jul 80 p 8

[Editorial: "A Weakening Embargo"]

[Text] There are several indications that the grain embargo that the United States declared last January against the Soviet Union will probably last only a few more months. Although it extended to Canada, Australia and the European Economic Community, the ban was spearheaded solely by the United States, inasmuch as the other nations were not, for one reason or another, in a position to fill the Soviet Union's orders. In connection with other items--meat for example, which is closely tied to the grain trade--the United States did not succeed in getting the backing that it had secured on paper in the case of grains. In this regard, it merely got the European Common Market to agree not to sell more meat than last year.

The attempt to shut off the supply lines to the Soviet Union has not been as effective as was planned, despite Washington's interpretation that the production of various kinds of meat in the Soviet Union has been adversely affected. U.S. sources themselves concede that of the 17 million tons that the United States planned to keep out of Russia, at least one-third were probably secured from other markets. Moreover, we would imagine that other sources, even in the communist world itself, probably furnished more supplies. In any case, the cutoff of grain shipments represents barely five percent of Soviet needs, far below the level of its stocks, which according to the FAO total 24 million tons. Naturally, it had to dig into some of its strategic reserves, which could not have put the Soviets in a good mood, especially in the unstable conditions in today's world. Resorting to these reserves probably constituted one more difficulty for the clumsy distribution network that is characteristic of Russia, but in any case President Carter did not bring about the shortages that he intended to. In addition, the embargo also affects the United States, not only in terms of the material cost of cutting off sales but also in terms of the domestic political impact in the grain-growing states.

The embargo could have an impact if the Soviets were to confront fresh snags in the harvest that is about to be collected, but the information coming in indicates exactly the opposite. Given these conditions, the Soviets could not only normalize their supplies but also rebuild their reserves, and even if the harvest is not large enough for both goals, it will certainly be able to buy grains on other markets, because in general the outlook for the harvests about to be gathered is good. Furthermore, neither Canada nor Australia seems willing to prolong cooperation with the United States on this ticklish issue.

The United States seems to be setting the stage for a weakening of the embargo, because grain companies were recently allowed to sell grains from other countries to the USSR. Senator Dole, a well-known sponsor of legislation favorable to farmers, has announced that he will introduce a bill to end the ban. Meanwhile, the new secretary of state, Edmund Muskie, referred to the issue during his trip to Europe on the occasion of the summit meeting in Venice. The United States will most likely wait a while to get a precise idea of the Soviet harvest, because this will gage the true caliber of the weapon that President Carter unsheathed last January.

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CSO: 3010

CARBAP PRESIDENT DIFFERS WITH MARTINEZ DE HOZ ASSESSMENT

Buenos Aires LA NACION in Spanish 25 Jun 80 p 12

[Text] The president of CARBAP [Confederation of Buenos Aires and the Pampa Rural Associations], Dr Juan Pedro Merbilhaa, ruled out the possibility of record output in the upcoming farming year, as Economy Minister Dr Jose Alfredo Martinez de Hoz had forecast. The confederation leader pointed out that unless we get extraordinary weather running counter to forecasts, "growers have not set their sights on larger crops because they have no chance of success with them."

In statements to a local radio station, Dr Merbilhaa also referred to the situation in the areas hit by recent flooding, which "is still very critical," he said, "because absolutely nothing has been done to repair roads, and there are isolated areas that you can reach only on horseback if you are extremely careful."

Managed Economy

When the CARBAP president was questioned about the speech that Dr Martinez de Hoz gave at the Grain Exchange, he stated: "What the minister did was merely to announce that he was going to announce new measures, but he was no more specific." In this regard he recalled that his confederation had on previous occasions called for "a new beginning to set the economy right, which is the opposite of what has been done recently, in that the economy is very much managed by the government."

"I am concerned," he added later, "that we are all speculating a bit as to the measures that the government is going to adopt, instead of discussing the alternatives of a free market."

With regard to the expectations of a new record in rural output in 1981, Dr Merbilhaa underscored that "reinvestment has vanished, and there was no chance to replace equipment. Practically no farm machinery is currently being bought on the market, especially not tractors, which are essential to a bigger planting and a bigger harvest."

8743
CSO: 3010

NEW CORN VARIETY TO WITHSTAND DRYER, COLDER CLIMATE

Buenos Aires LA NACION in Spanish 21 Jun 80 Sec 3 p 4

[Text] The INTA's [National Institute of Agricultural and Livestock Technology] Bordenave Experimental Agricultural and Livestock Station (southwest of Buenos Aires Province) has come up with a new variety of openly pollinated corn: Don Faustino Inta. It was developed by Ramon Oscar Videla and Oscar Anselmo Vigna, both agronomists, to be competitive in productivity with the commercial hybrids of the semi-arid region.

Longer Planting Period

It can stand up under all sorts of adverse weather conditions. Its tolerance to cold means that its planting period can be extended from late September-early October to late November-early December.

Production Gains

It is a clustering plant (three to five clusters) with the ears emerging over the clusters, which makes it more suitable for fodder or the production of silage.

A thin to medium sowing, 20,000 to 35,000 plants per hectare, is used. Clustering and output are dependent on weather conditions.

The cycle from germination to the emergence of the ear takes 53 days for plants sown during the last 2 weeks of November, while the germination-maturity cycle takes 168, comparable to the Bordenave hybrid. It is of the hard, yellow commercial variety; the grain is of medium size, with a good hectoliter weight.

High Yield

The maximum local yield came in the 1978/79 harvest, with 6,572 kilograms per hectare, which is 49.4 percent higher than the average of the commercial variety samples.

It has normal resistance to diseases and with regard to overturning it is similar to Abati 2 INTA.

Its growing process combines a high degree of physical uniformity with a wide genetic diversity, and it is therefore in keeping with a strong annual selection by productivity, thus permitting higher annual yields.

In regional weather conditions the new variety compares favorably in productivity and disease resistance with the best commercial hybrids.

Development

Development was based on the method of converging retrocrossing with selection by productivity, and it was programmed in 1964.

During the first stage, a new genetic structure had to be incorporated, combining a wide genetic diversity, a production capacity provided by five top-quality commercial hybrids and a common base, a corn tailored to local ecological conditions, the Yellow Dwarf, which is characterized by its many clusters and abundant ears.

This latter variety was also improved selectively as the genetic integration process moved forward.

During the development process the various combinations were subjected to a rigorous selection based on productivity and disease resistance. They were also used as the material basis for developing inbred varieties earmarked for the creation of commercial hybrids.

Later, a completely different genetic source was incorporated into it, which enriched the basic material and facilitated the process of selection based on productivity.

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CSO: 3010

BRIEFS

FARM TAX DEFERRED--The National Executive Branch has passed Law 22,242, which suspends the emergency national tax on agricultural and livestock production from the first working day after its publication until 22 October of this year. The law applies to the producers hit by the recent flooding and extends to those who, given the same circumstances, will have to move into the flooded area in the future, even if their sales are made elsewhere. The law will apply exclusively to the following districts in Buenos Aires Province: Ayacucho, Azul, Bahia Blanca, Bolivar, Castelli, Coronel Pringles, Caireaux, Dolores, General Alvear, General Belgrano, General Guido, General Lamadrid, General Madariaga, General Lavalle, Adolfo Gonzalez Chaves, Benito Juarez, Laprida, Las Flores, Lobos, Maipu, Monte, Necochea, Olavarria, Pilar, Rauch, Roque Perez, Saladillo, Tandil, Tapalque, Tordillo, Tres Arroyos and any other district in the province that is declared in a state of agricultural emergency for the reasons that prompted the law. [Text] [Buenos Aires CONVICCION in Spanish 20 Jun 80 p 1] 8743

GRAIN EXPORT DROP--The vice president of the Buenos Aires Grain Board, Mr Jose Saez Aires, has stated that this year Argentina "might not be able to meet foreign grain demand as smoothly as in other years due to low production." Mr Saez made these remarks shortly before leaving for Spain, where he will attend the Ninth Conference of Oilseed Producing Countries on behalf of the Grain Board. With regard to a rumor that the United States has sold the Soviet Union 15 million tons, in other words, 7 million more than it announced after the Washington-proposed embargo, Saez asserted that "it would not surprise me, inasmuch as economic realities are like channels of communications; the trade that does not flow in one direction flows in another." [Text] [Buenos Aires LA PRENSA in Spanish 8 Jun 80 Sec 3 p 5] 8743

CSO: 3010

AIR MINISTER DEEMS CONSTITUENT ASSEMBLY INOPPORTUNE; OTHER COMMENT

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Jul 80 p 4

[Text] Air Minister Brig Gen Delio Jardim de Mattos yesterday in Rio came out against the idea of convening a National Constituent Assembly, warning that "movements of that kind could lead to a delay" in the the process of improving the political and institutional system. According to him, the idea of a Constituent Assembly, "even with Figueiredo," is unjustifiable; he recalled that the process of the opening should take its normal course which will culminate "with the 1982 elections."

Delio Jardim de Mattos agreed to talk to the press after delivering a lecture at the War College, thus setting a precedent in the current cycle of lectures by military authorities from which journalists are barred. But he made the point that he is not predicting any shutdown.

"There is no possibility of a shutdown. The Constituent Assembly would be one obstacle among many obstacles that must be overcome. But there is no possibility of taking a step back. The president of the republic himself has only reaffirmed that the return to normalcy is his administration's main objective."

Passport

Although noting that he was not familiar with the details of the episode involved in the ban on issuing a passport to former labor union leader Luis Ignacio da Silva--who was prevented from traveling abroad by DOPS [Department of Political and Social Order] because he had violated the National Security Law--the minister presented the following considerations: "There cannot be any democracy without laws. If the law prevents him from traveling, then we have to go by that. This is a legal fact and there is no discussing it." Questioned whether he supported the Security Law, he replied:

"The National Security Law was amended about 2-1/2 years ago, more or less, in other words, it was toned down as part of the opening process. I think

that the return to normalcy must be accomplished step by step, with calm and security."

The Dallari Case

Delio reproved the action taken by the Justice and Peace Commission in connection with the episode involving lawyer Dalmo Dallari because that agency gave authority to stage the attack to an extreme-right-wing paramilitary group. After assuring his audience that "the administration is concerned with determining the responsibility for the attack against Dallari, he said:

"This investigation is up to the police and to the Justice [commission]. If the Justice and Peace Commission is in a better position than the police to clear up the case, then we are going to turn it over to the Security Secretariats; we are not going to let its members do the investigating and judging. It is possible that the commission might have an organization capable of taking the place of the police."

So long as the police do not have any specific evidence on the attack, the air minister feels that there is nothing to the charges made against the extreme right. Addressing himself to the journalists who insisted on arguing on the basis of the commission's story, he made the following clear: "You make accusations only against the extreme right. When a police officer is killed, during a bank holdup, the Justice and Peace Commission never has anything to say. There is justice and peace only for one side. You start with the assumption that the attack was the work of the extreme right. I repeat that the president issued orders to ascertain the facts and only then will we be able to make any charges."

Deputy Wants Campaign Now

The position of Justice Minister Ibrahim Abi-Ackel--admitting that Brazil needs a new constitution--means, as far as the deputy leader of the PMDB, Deputy Oswaldo Macedo (PR [Parana]) is concerned, that "the minister also has now switched to advocating the idea of the Constituent Assembly."

"When Abi-Ackel admits that a new constitution can be voted on only by the congress, after the elections of 1982, resulting from the multiparty system, then he agrees with us because the current congress, elected under the provisions of AI [Institutional Act]-5, the Falcao law, and with the bionic members, does not have any constituent powers," the representative from Parana explained.

Oswaldo Macedo however emphasized that "a campaign for the Constituent Assembly in 1982 cannot be conducted under the present administration and with the current emergency legislation in force. The current administration

will never be neutral in this campaign." And, to give an example, he mentioned Abi-Ackel's trip with Senator Jose Sarney, chairman of the PDS [Social Democratic Party], on a campaign throughout the country, using an aircraft of the FAB [Brazilian Air Force] as well as public funds.

"According to legislation currently in force, this is an election crime," Macedo recalled. "This is proof that this administration is partisan. The minister works for a party, using government funds and military aircraft."

Tancredo Says Crisis Serious

"The administration is underestimating the seriousness of the institutional crisis which is an urgent matter and calls for immediate steps." This is how PP chairman Senator Tancredo Neves reacted yesterday in Rio to the proposal by Justice Minister Ibrahim Abi-Ackel to the effect that the Constitution be amended only after the 1982 elections. "We all know," Tancredo observed, "that the constituent assembly will not in any way improve the life of the people; but it is much more important because it will give the country a new constitutional system and it will guarantee everybody the proper conditions for continuing the fight for their just demands. Postponing the steps to be taken now until 1982 means procrastinating, it means making worse those problems which right now do not allow any further temporizing."

In Brasilia, Deputy Murilo Mendes (PDT [Democratic Labor Party?]-AL [Alagoas]), an advocate of the idea of convening a Constituent Assembly, emphasized that the deputies and senators should, "as an altruistic gesture," resign from the remainder of their terms of office because, in his opinion, the Constituent Assembly "is unacceptable" with the present congress.

He also advocated the merger of the opposition groups to establish conditions "to put an end to arbitrary action, to repeal the National Security Law, the Strike Law, and the Press Law."

Francelino Thinks Reform Inevitable

After saying that he did not believe in the idea of establishing a coalition of the opposition parties, Governor Francelino Pereira yesterday, at Juiz de Fora, analyzed the constitutional reform which he considered "inevitable and advisable as a result of the political reform contained in the 11th Constitutional Amendment." He agrees with Minister Abi-Ackel in saying that the climate in 1982 will be proper for a broad constitutional reform.

"This viewpoint can be easily proven if we establish the goal of a constitutional reform to be carried out by congress within 2 years. It is obvious that this constitution will reflect the nation's thinking. At that point, the congress will be represented by all political currents."

In the governor's opinion, it is certain that there will be no elections in the country this year and that these elections should be held only in 1982: "This is why we are organizing the parties ahead of time, without any delays. In our state, for example, everything is ready and there are no difficulties. Our PDS will be strong because, if the party is to be strong in Brazil, it will have to be strong in Minas Gerais."

Governor Francelino Pereira is in Juiz de Fora to attend the First Political Study Cycle promoted by the city council, where he is taking up state politics aspects. Talking to journalists, he said that he did not consider the Abi-Ackel mission as downgrading the leadership capacity of the governors: "On the contrary. I think that the minister is a highly capable man."

Regarding a possible merger of opposition groups, the governor said that this is an unfeasible measure. In his opinion, "We are in the midst of the party organization phase and each party seeks a solution to specific problems, trying to demonstrate its hold among the people and that makes a coalition impossible."

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CSO: 3001

CHANGE IN POLICY ON GRAIN SALES TO USSR DENIED

USSR Applauds Brazilian Action

Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 Jul 80 p 5

[Text] Moscow--Two journals of the CPSU this week published articles supporting Argentina and Brazil in their opposition to the anti-Soviet campaign which the United States Government has been waging, saying that these countries recently have become "obstacles to United States foreign policy."

PRAVDA, the official newspaper of the CPSU, asserted the day before yesterday that "the refusal of nations to join in with the so-called 'economic sanctions' against the Soviet Union has caused an explosion of unequivocal threats in Washington."

SOVETSKAYA ROSSIYA, the organ of the CPSU Central Committee, yesterday wrote that "Latin America is playing an ever greater role in our foreign policy," in spite of the fact that the United States "is trying by all means to create discord between the Soviet Union and the Latin American countries."

The day before yesterday, PRAVDA emphasized that "the United States is exerting pressure against Buenos Aries and Brasilia and is resorting to political and economic extortion which however did not produce the desired results" since "both countries affirmed their principles in pursuing a course of developing mutually advantageous relations with the USSR and other socialist countries."

Speaking in more general terms about "Latin America," SOVETSKAYA ROSSIYA yesterday stated that "even the right-wing governments, which pursue a foreign policy that serves United States objectives, must take in to account public opinion in their countries and must at least demonstrate an appearance of independence."

Foreign Office Denies Boycott

Rio de Janeiro JORNAL DO BRASIL in Portuguese 10 Jul 80 p 20

[Text] Brasilia--Itamarati [Foreign Office] yesterday denied that the Brazilian government has taken any initiative in increasing or reducing cereal sales abroad, on the basis of the boycott led by the United States against the Soviet Union.

The Foreign Relations Ministry spokesman said that he knows--although there is no confirmation of this--that certain quotas allocated to Brazilian export companies have been suspended but that, along with that, there was information to the effect that cereal purchases by the Soviet Union this year have already been completed, on the basis of the contracts that were signed. The statistics and quantities, according to Minister Bernardo Pericas, are smaller than those last year and the principal Soviet purchases were concentrated in Argentina and Western Europe through multinational companies.

Sugar

Itamarati gave assurances that the Brazilian position, spelled out at the beginning of the year, had not been changed in any way. Brazil continues its normal trade and is not making any special effort to fill any possible shortages generated by the United States boycott.

"It seems that these shortages never materialized," Pericas explained.

According to the spokesman, Brazilian trade with the Soviet Union during the first half of the year increased, in comparison to last year, but this was above all due to larger sales of sugar.

Exports Doubled

The trading companies exported $914.9 million's worth from January to April of this year, double the sales made abroad during the same period last year. According to ABECE (Brazilian Association of Commercial Exporting Companies), they already account for 16.5 percent of the total exported by Brazil.

Out of this amount, $571.7 million represent their own commodities, in other words, commodities purchased by the trading companies, while $343.2 million involve third parties acting as middlemen. The trading companies sold $519.9 million's worth of basic products (23.1 percent of Brazilian exports) and $395 million's worth of industrialized items (12 percent of Brazilian exports).

COBE, the trading company of the Bank of Brazil, this year already sold 361,000 tons of soybean middlings to Eastern Europe, purchased by Poland,

and is negotiating new deals with representatives of Czechoslovakia and Hungary.

Soybean Export Quotas

Rio de Janeiro JORNAL DO BRASIL in Portuguese 9 Jul 80 p 18

[Text] Brasilia--After a week of meetings with advisors, Planning Minister Delfim Neto yesterday decided that, as of today, exports of middlings [bran] and soybean oil would be limited to monthly quotas which would go up or down, depending upon the available volume on the domestic market and the prices prevailing in Chicago. Shipments however must not exceed a total of 1 million tons of middlings and 100,000 tons of soybean oil between now and February of next year.

According to Carlos Viacava, head of the SEAP (Special Secretariat of Supply and Prices), it is the intention of the Planning Ministry to form two regulating stockpiles by the end of this year, consisting of 400,000 tons of middlings and 250,000 tons of soybean oil. According to the decision by Minister Delfim Neto, the regulating stockpiles will be strategic and will serve to guarantee the domestic market, thus preventing prices from going up too much.

"Contrary to what some newspapers reported, exports have not been suspended but have been rationalized; they were broken up into monthly quotas which are in the interest of Brazilian consumers, exporters, and the government; one of the main purposes here is to neutralize inflationary foci," Carlos Viacava said.

In the case of soybean middlings, however, new exports are going to be authorized only for the period of September of this year to February of next year; only the amounts already registered with CACEX [Foreign Trade Department] may be shipped abroad by September. This does not constitute a suspension of exports, according to Viacava, since shipments will be continued as provided for earlier. Exports by February of next year--based on the computation of the current harvest--should come to 6.5 million tons of middlings.

With exports of soybean middlings increasing greatly, a shortage of raw material began to develop this year for the fodder industries since the price per kilogram came to 8.70 cruzeiros, according to Viacava. Middlings were yesterday again placed on the list of products controlled by the CIP [Interministerial Price Council].

The quotas now in effect are not valid however for the crushing plants which import soybean grain for the purpose of crushing and exporting oil and middlings. The SEAP chief advised industries, which want to export above and beyond the total anticipated for the current harvest--6.5 million

tons--that they do so with middlings obtained from grain soybeans imported through the drawback system. The system applies also to exporters with transactions involving the USSR and the other Eastern European countries.

Buenos Aires--USSR Deputy Foreign Trade Minister Boris Gordiyev arrived in the Argentine capital to negotiate new purchases of soybeans, corn, and sorghum. He is reported to be interested in firming up a supply contract involving 4 million tons of cereals for the next 3 years. The USSR has already purchased 62 percent of Argentina's cereal exports.

"Trading" Loses Sale to USSR

The quota of 500,000 tons of soybean middlings, allocated to the trading companies, for sale to Eastern Europe, including the Soviet Union, was withdrawn following pressure from industries associated with CACEX--Foreign Trade Department of Bank of Brazil. "The industry wants to sell directly if it considers it convenient to do so," Luis Tombesi, president of the Union of Edible Oil Industries of Rio Rio Grande do Sul said yesterday, following a meeting with CACEX leaders.

Furthermore, during a meeting of business operators in Rio, it was ascertained that there will be a new quota for middlings exports amounting to 1.78 million tons and 92,000 tons of soybean oil for shipment starting in December. In addition to that, the industry will be able to import soybeans for crushing, as part of the drawback system and the CIP will peg the price of middlings--the raw material for the fodder industry--at 8.22 cruzeiros per kilogram FOB factory (the earlier price had been 7.50 cruzeiros posted in the big capitals).

Among the demands presented to CACEX--which will be repeated during a meeting with Mr Carlos Viacava in Brasilia, scheduled for August--the industry operators are asking that the price of middlings be raised to 9.45 cruzeiros per kilogram; that a can of soybean oil, sold at 750 cruzeiros, be raised to 950 cruzeiros; they also asked that the export dates be moved up, including the shipments planned for December.

Russians Boycotted Due To Pressure

Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 Jul 80 p 18

[Text] Rio--The multinationals, which control soybean oil and middlings trade, yesterday were able to win another victory in Brazil. Cancelling a decision made earlier, CACEX will not release more than 500,000 tons of soybean middlings to the "trading companies" which would sell that amount to Eastern Europe. According to current information on the market, the subsidiaries of the American multinationals (Anderson Clayton, Bung and Born, and Cargill) supposedly received orders from their home offices likewise to boycott sales of grains and derivatives to the USSR and the CEMA countries which would indirectly pass the product on to the Soviet market. They thus pressured CACEX and obtained its backing so that CACEX "boycotted" the trading companies and CEMA. Only the industries will export soybean middlings to markets which ask for them.

5058
CSO: 3001

CONSEQUENCES, LEADERS OF METALLURGICAL WORKERS' STRIKE DESCRIBED

Rio de Janeiro JORNAL DO BRASIL in Portuguese 16 Jun 80 p 28

[Text] The industries in the ABC [Santo Andre, Sao Bernardo do Campo and Sao Caetano do Sul] industrial sector have dismissed more than 5,000 metallurgical workers identified as activists in the recent strike, for just cause and without rights. However they have already reached agreement with almost all of the members of the board of the Sao Bernardo trade union. Each made his decision based on his own situation.

Luis Inacio da Silva was personally given leave of absence for 12 months, with all rights guaranteed, by Mr Carlos Villares, vice president of the Villares Group, on the grounds that no openings for his job--junior sub-foreman--are available. The other officers agreed to accept payment of wages of up to 10 months, plus guarantee fund and holidays, on dismissal.

A survey made of the officers in fact dismissed shows that as of the 13th of the month only Nelson Campanholo and Devanir Ribeiro had failed to resolve their status. The former is involved in administrative proceedings at Karman-Ghia, while Devanir Ribeiro is still studying a proposal that he be paid for between 3 and 8 months, while he is demanding dismissal with 12 months' pay or immediate reinstatement.

These agreements, according to the dismissed officials, are being accepted because they all are doubtful if they would win confirmation in the courts of the 12 months' job stability provided for every trade union leader after the end of his term. Another justification is that they will hardly be able to find jobs in the metallurgical sector in the region, and these agreements guarantee a livelihood for at least some time.

More Than 5,000 Dismissed

Officially, the number of metallurgical workers dismissed for just cause in Sao Bernardo and Diadema is said to be 599, with about 700 in the region covered by the Santo Andre Metallurgical Workers Trade Union. However, the former officers dismissed by the interventors say that this number is far

from realistic. More than 3,000 have been dismissed in Sao Bernardo and another contingent in Santo Andre raising the number of those ..red to more than 5,000 throughout the ABC sector.

Every morning, the factory gates provide a picture of the unemployment in the ABC sector, mainly due to the strike, the former officers say. Devanir Ribeiro, a member of the Sao Bernardo and Diadema Metallurgical Workers Trade Union, who was dismissed, explained as follows:

"This is a period of heavy dismissal every year. But this year, naturally, we have the effect of the strike, with many people being dismissed now without rights and others with them, but likely to have great difficulty in finding work."

In his view, immediately after the disagreement on the collective contract giving the Sao Bernardo workers a greater increase than the metallurgical workers in Sao Paulo, there was a natural demand for workers from the capital for the ABC sector. And the reverse also happened, particularly since the industries in the region have a blacklist, the former officers say, with names supplied to the enterprises by the police.

Almost all of those dismissed for just cause had their names added to this list, which was originally drafted from the police reports made during the strike. Even individuals who were passing through the areas of disturbance and were listed in these police reports lost their jobs.

The strike fund, which served the needs of more than 400 families in a single day during the movement, continues in effect, providing food supplies now to the metallurgical workers who were fired. Currently, the organizers of the fund are promoting charity bazaars in the Villa Euclides stadium during two weekends this month, and also a benefit show with famous performers appearing, for the purpose of collecting money to buy foodstuffs.

Lack of Confidence

The exact number dismissed is hard to establish. The legal department of the trade union taken over has 599 cases involving individuals who sought lawyers because they were dismissed for just cause. But that body's attorneys--who remain the same, headed by Mauricio de Almeida--are aware that many workers did not seek legal aid because of the intervention, mistrustful that their cases would receive normal handling.

The interventor, Oswaldo Batista, has not changed the routine of the legal department, which is continuing to deal routinely with the workers who seek aid in dealing with problems involving dismissal or any others.

Many workers have gone to private lawyers, which makes it difficult to establish the exact number dismissed.

In the view of the officials of the legal department of the Santo Andre trade union, also subject to intervention, the enterprises are using an "intelligent criterion," which they would not call mass dismissal, but say is continuing. Dozens of ratifications are effected at the trade union every day, and these officials fear that in the medium time range the volume of dismissals will be great.

The problem with the dismissals currently is the largest factor in the continuing mobilization of the workers, according to Djalma de Souza Bom, a former officer of the Sao Bernardo trade union. Mainly in Sao Bernardo, there are more than 1,000 workers in daily contact, frequenting the parish hall of the cathedral, where the aid fund for the unemployed is located. They come to the church to learn of developments and to meet with Lula and the other former officers, who see each other daily at these gatherings.

Last Friday, this group presented itself at the trade union headquarters in order to obtain an official statement from interventor Oswaldo Batista about the dismissals, since Minister Murilo Macedo had promised not to allow mass dismissals as a result of the strike. The interventor would not agree to a meeting and there were disturbances in front of the premises.

The agitation is tending to increase, according to Gilson Correa de Menezes, another former officer, because those dismissed, apart from suffering the loss of their rights, cannot find jobs in the factories in the ABC sector because of the police blacklist.

In the view of Gilson Menezes, "a family man who grows desperate can create many problems." He added that in the case of Sao Bernardo and Diadema, "there are thousands in this situation."

There is an organized movement, which has even published some materials, urging a new trade union assembly on the 20th of the month. At this meeting, the interventor and the government would again be asked to state a position on the dismissals and also to return the trade union to the workers.

According to former president Luis Inacio da Silva, these trade union meetings will be held with increasing frequency, and also the organization at the parish hall of the cathedral, which has now become a real trade union, will be maintained.

Alternate Officers

MetalWorker Jaime Vianna de Barros, a alternate member of the deposed board of officers, had no opportunity to negotiate an agreement. When he went back to work at TRW Cemmer, where he had been employed for 17 years, he was dismissed. His salary was 25,000 cruzeiros per month. He was not fired for just cause, but neither did he retain anything but his rights as a regular office-holder.

Another alternate, Juracy Magalhaes, who is 29 and has one child, reached an agreement with Mercedes Benz, where he worked as a checker before assuming his trade union office. His salary was 23,000 cruzeiros, and he succeeded in obtaining 10 months' pay.

Mauro Massani, unmarried, a record-keeper at Volkswagen with a salary of 22,000 cruzeiros, also reached an agreement, receiving 6 months' salary. Toolmaker Gilson Correa Menezes, 31, with 2 daughters, was an employee of Saab-Scania for 7 years, at a salary of 36,000 cruzeiros per month. He was one of the first to reach an agreement, receiving 9 months' pay, in addition to his rights. Gilson was a member of the fiscal council of the deposed board of officers. Another member of the council, Claudio Roberto Rosa, 29, married, with 2 children, has been a toolmaker for Mercedes Benz for 4 years. He reached an agreement, also receiving 10 months' pay.

There are two members of the board of officers whose status is not defined and who have not in fact been dismissed. Manoel Anisio Gomes, 34, with 4 children, is a quality inspector at Polimatic, at a salary of 33,000 cruzeiros. He is negotiating with the enterprise, but thus far he has not accepted any agreement proposal. Gilberto Souza Cunha, 29, with 1 child, an electrician at Brastemp, is on indefinite suspension until the enterprise summons him to accept an agreement or return to work.

Apart from the members of the present board of the trade union, seven other members of the body--alternates, members of the fiscal council and the federation council--have also been affected by problems resulting from the strike. Only six are continuing to work. Vasile Volcov Filho is one of those who is working and who has suffered no consequences from the strike. Thirty-five years of age and the father of 3, he is a tinsmith at Chrysler, earning 23,000 cruzeiros. He has been an alternate trade union board member since 1972. Another former alternate, Jose Joesto Pontes, 33, the father of 2, a quality inspector at Ford at a salary of 24,000 cruzeiros, is also still working. The position mentioned was his first elective post in the trade union.

Lathe mechanic Mariano Palma Vilata, a member of the fiscal council who worked at the Sao Bernardo forging plant (Volkswagen) at a salary of 40,000 cruzeiros, is in the same situation. He has 2 children and has been at the enterprise for 9 years. He took office along with Lula, on this second board of officers in the trade union.

Jose Venancio Souza Luz is a bachelor, and is also a member of the fiscal council. He has returned to work at his post as checker. He earns 23,000 cruzeiros a month and was serving his first term as a trade union officer. Jose Dilermando, or Ratinho, 42, has 5 children. He has worked at Ford for 6 years as a tool-setter at a salary of 19,000 cruzeiros per month, and has also returned to work.

Another alternate, Celso dos Santos, also works at Ford. Thirty years of age, a bachelor, he is a quality inspector earning 25,000 cruzeiros per month, and is still on the job.

Status of the Trade Union Leaders

Luis Inacio da Silva, or Lula, has been given leave of absence with pay by Villares Equipment, where he has worked since 1966. His current position is junior sub-foreman, at a salary of 40,000 cruzeiros. He is a lathe mechanic by profession, and for 12 months he can engage in other activities unless he is summoned back to work, in accordance with the arrangement made with Mr Carlos Villares in the verbal agreement reached when Lula was released from prison. Lula says he does not know what his fate will be after the 12 months' leave of absence with pay has elapsed.

At 34 years of age--14 of them spent with Villares--Lula became a metallurgical worker after completing a course with the National Industrial Apprenticeship Service (SENAE). For a long time he had no interest in trade union activities and then, due to the influence of his oldest brother, Jose Ferreira da Silva, or Frei Chico, Lula was nominated as alternate a slate of officers, headed at that time by Paulo Vidal Neto. From then on, he worked intensively in the legal department of the organization, a section which along with the medical service has the most contact with the base level. In the period following that, he ran as a candidate for the presidency.

The term of office interrupted by the intervention was Lula's second as president. His wife, Marisa, had hopes that after the resolution of the last strike Lula could devote more time to his children, Marcos (9 years old), Fabio (5) and Sandro (2). "But I see that this will never happen,"

says Dona Marisa, who is now accustomed to the constant ringing of the telephone in her home day, night and sometimes even in the early-morning hours.

Lula says that he will support a slate of trade union officers to be nominated, as well as suspension of the intervention, "if I am ruled ineligible." Otherwise, he says, he will run for office again. In this connection, he is working intensively on the construction of the Workers Party (PT).

The first secretary of the deposed body of officers, Nelson Campanholo, was the only one not arrested. For that reason he continued to hold assemblies during the period in which the other leaders were separated from their colleagues.

At 41 years of age, and with 2 children, Nelson has been employed at Karman-Ghia for 13 years, and a week ago, he received a surprise. The enterprise filed a suit against him in the labor court, charging a "serious misdeed" with a view to his dismissal for just cause.

In the trade union, Nelson has held leadership posts since 1969, first as a member of the fiscal council, then as secretary general, second secretary, and most recently as first secretary.

Karman-Ghia proposed an agreement which would have given him 5 months' salary, which he rejected. As a result, the suit was filed. The only officer who was not arrested is the one to whom the enterprise for which he works has not proposed an advantageous agreement.

Severino Alves da Silva, secretary general of the deposed board of officers, is 41 years of age and apparently intends to return to his native region, Pernambuco. He has been there for the past 2 weeks and when he returns this weekend he will inform his family whether he will go or stay.

Severino, who has two children, also reached an agreement with Saab-Scania after learning that the enterprise had no interest in his remaining there. With a salary of 29,000 cruzeiros, Severino was given 9 months' pay, in addition to his rights. He has worked at Scania for 7 years and has been with the trade union for 5. During his first official term, he served as an alternate.

Devanir Ribeiro, 36, with 2 children, was second secretary of the metallurgical workers trade union and has held a post as an officer since 1975,

when he began his trade union career as second alternate. He has worked for Volkswagen for 10 years, and his status has not as yet been determined.

Volkswagen offered an agreement which would have paid him between 3 and 8 months' salary in his capacity as tinsmith. Devanir said that he wanted a leave of absence, like that given Lula at Villares. After learning that he was persona non grata in that industry, Devanir was also informed that the intention of the enterprise is to dismiss him for just cause if he does not accept the agreement proposed.

Rubens Teodoro Arruda, or Rubao, is the member of the deposed trade union board with longest service. He was a founder of that organization in 1959, and has held a post as officer since 1967, serving as alternate, member of the fiscal council, and, during three terms, including this last one, as vice president. He has worked for Mercedes Benz for 20 years. He went to the factory as an apprentice (student in a vocational training boarding school), later becoming a tinsmith, then a punch operator, and he was recently promoted, after becoming a trade union officer, to production supervisor. His salary is 37,000 cruzeiros.

When he was released from prison and went to Mercedes, he was offered an agreement calling for payment of 10 months' wages, in addition to his rights. He accepted.

Rubens says that he was not mistreated or "driven to the wall" by the industrial enterprise. However, his job, after the promotion he was given even while he was away from the factory, was one of command, and therefore "having to give orders, even dismissing workers for just cause and things of that sort represented a position unacceptable to me, after all this time with the trade union," he said.

Rubens is 41, has 3 children, and does not know for certain what he will do in the future. He will try for some time to obtain another job as a metallurgist. If this does not work out he will "establish some business."

Expedito Soares Batista is the newest member of the deposed board of officers. He is 25, married and the father of 3. This was his first post in the trade union, where he served as second treasurer.

He has worked for Arteb Industries in Sao Bernardo for 4 years, and was granted leave of absence with pay until December. Arteb was the first industrial enterprise in the ABC sector to be struck, 2 days prior to the outbreak of the general movement on 1 April.

Djalma de Souza Bom, the treasurer of the trade union, is 41 and has worked for Mercedes Benz of Brazil for 15 years. Working as a parts checker, he was earning 29,000 cruzeiros per month. This was his second term as a trade union officer and, like some of the others, he was deemed persona non grata by the enterprise at which he worked.

He accepted an agreement calling for payment of 10 months' wages, for as he said, he has a responsibility to his wife, Idalina, and 2 children. Like the others who accepted agreements, Djalma will look for a job as a metallurgical worker, which he himself admits may be difficult or even impossible. And in order to make ends meet until he finds a job, he is thinking of opening a newsstand.

Statement by Lula

Sao Paulo--The deposed president of the Sao Bernardo and Diadema Metallurgical Workers Trade Union, Luis Inacio da Silva, says that the open approach of President Joao Figueiredo "of which Murilo Macedo is thinking" was in fact strengthened by the recent strike, but he stressed that "this open approach does not pertain to the working class. It is an open approach by the national bourgeoisie whose interests are not threatened, while the workers still have clubs hanging over their heads."

Lula made these statements in reply to the testimony given to the Senate by the minister of labor last Friday. And he said that he expects to be summoned by those same senators to explain "the truth about the strike."

The Political Aspect

Lula responded to the statements by the minister to the effect that he emerged politically stronger from the strike. "I have not been and I am not interested in a political future. It is Minister Murilo Macedo who seeks such a future and wants to be governor of Sao Paulo. I have no political pretensions," he stated.

In his view, "both the working class and the businessmen gained experience from the strike. The metallurgical workers gained in political awareness." He did not challenge the minister's statement to the effect that the strike was not called solely for the purpose of obtaining better wages for the workers.

"We knew in advance that we would have no guarantee for any gain if we did not have the trade union guarantee," Lula said. He added that "the government wants the worker to concern himself with wage increases, leaving other things to the whim of the authorities."

"We are certain," he went on, "that it was easier for them to give a 15-percent increase and then pass it on in the cost of the product. Apart from this, it is also easy to give orders to the workers while lowering wages and increasing job rotation. This is why we placed much more priority on the trade union guarantees in the campaign at the gates of the factories than on the wage increase as such."

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CSO: 3001

POLITICAL FUTURE OF SAO PAULO GOVERNOR MALUF DISCUSSED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Jun 80 p 6

[Text] Brasilia--The Planalto Palace, the denials and statements of support by his spokesman notwithstanding, is watching the career of Paulo Maluf from two angles, representing the present and future goals of the governor of Sao Paulo. On the one hand, the governor is currently attentive to the federal government, interested in pleasing and winning sympathy at all costs. On the other hand, the image projected is of an ambitious and not very scrupulous politician, to judge from various of his actions which reveal his inadmissible goal of becoming president of the republic.

For the moment, since he was "adopted" after he defeated Natel at the old ARENA [National Renewal Alliance] convention, Maluf has been useful to the policy of the federal government, mainly because of the fact that he re-established a government party majority in the Assembly and increased the bench in the Congress, triumphs unexpected in the short run but achieved by the governor by seducing parliamentarians with advantages of all kinds. However, in their hearts the palace advisers know that the man appealing to them with promises of political fidelity is the same man who, in the days of faithfulness institutionalized by indirect elections and the authoritative regime, ignored the desire of President Figueiredo and former President Geisel to see Laudo Natel return to the government of Sao Paulo.

The aggressive efforts of Paulo Maluf to buy--and this is indeed the term--the sympathy and support of parliamentarians who in the future will make up the electoral college which will choose the successor to Figueiredo, is being closely watched by the Planalto Palace, although there will be a renewal of the personnel of the Congress in 1982. The flowers the governor sends to the wives of the deputies and senators on their anniversaries, dispatched by the "office director," Chaves Amarante, are now viewed as false compliments and are even ridiculed by the parliamentarians. The majority do not even send their thanks for the "remembrance" [illegible] governor, who is also trying to gain support on the Northeast benches, [illegible] e believes that Governor Antonio Carlos Magalhaes of Bahia is also [illegible]ing the position of president of the republic.

Recent public opinion polls showing the decline in Maluf's popularity, and the indications of displeasure addressed to him, the overflow of which General Figueiredo has had to tolerate, are also being noted by the palace advisers. This decline, however, appears to be somewhat premature, at a time when Maluf can still be useful to the federal government. After all, no one can accuse President Figueiredo of trying to seduce the members of the opposition in Sao Paulo. It was Maluf who did this, and also the president categorically refused support of such utopian proposals as the transfer of the capital.

The palace advisers insistently deny that Maluf is out of favor in the Planalto Palace. In fact, when he is no longer useful, there will be no great difficulty in setting him aside. As is made sufficiently clear by a mention of the continuing irregularities in the Lutfalla case, for which the responsibility falls to the BNDE [National Economic Development Bank], headed by a faithful aide of the governor of Bahia. The parliamentarians who are Maluf's supporters are also among the least well prepared and least tactful, to the point of having already spoken of the governor of Sao Paulo as the future president of the republic, which even Maluf himself has never done, awaiting the proper moment.

On the other hand with Maluf in the government of Sao Paulo, the state executive branch has lost its independence, and the strike in the ABC [Santo Andre, Sao Bernardo do Campo and Sao Caetano do Sul] sector was ascribed to the local government, responsible for repression, without protest on Maluf's part. The lack of confidence with regard to Maluf on the part of the federal government is also seen in the effort to improve the image of an alternative candidate to succeed him, former President Janio Quadros, who would be sponsored by the PTB [Brazilian Labor Party] as a counterweight to the potential of opposition member Franco Montoro. In this connection, the major administrative achievements of the present governor are patiently awaited.

It is noted further that despite all the promises made to his new supporters, a number of them are already abandoning Maluf's company, having already had enough. Maluf, however, can remain calm, for he will continue to be tolerated and his "prestige" will continue to be enhanced by the Planalto Palace until his methods begin to threaten the success of major decisions, as will be the case with the issue of his successor. It should be noted that not even Maluf's incursions into other states have worried the federal government, nor has his bloc of Maluf supporters.

The Deputies' Charges

Lack of political experience, excessive centralization and poor choice of aides are the main factors in the decline in the popularity of the governor of Sao Paulo, in the judgment of his colleagues in the PDS [Social Democratic Party].

Only one of them, the former secretary of security, Erasmo Dias, acknowledged that he subscribed to the criticisms directed against him by the PDS majority in Sao Paulo on an anonymous basis.

What is certain is that the enthusiasm Maluf was able to arouse in some circles, to whom he appeared as a new Adhemar de Barros, en route to the presidency of the republic, is tending to disappear.

On the other hand, deputies from the former ARENA and MDB [Brazilian Democratic Movement]--who are now members of the PDS--are beginning to wonder if they made a good choice in supporting him. They fear that the party will not even succeed in nominating candidates for the Sao Paulo government and the Senate in 1982.

They even complain that Maluf has plunged into federal affairs, with thoughts of winning the electoral college which will elect the president of the republic, and losing opportunities to consolidate the base in Sao Paulo.

"A good fellow, but out of his element," says an influential government party deputy, given assurance of anonymity. "If he had been elected councilman or deputy in '78 and 10 years later were governor, he would be a politician, because he has the knack. However, that is not the case. Maluf governs like one managing a private business. And it is not the same thing. And so Eucatex is going well, while the state government is going badly."

Another notes that at the time of the disagreement between Adhemar de Barros and Janio Quadros, if there were some who jeered there was always another faction which defended him, which is not the case now. All are joining together to boo Maluf.

There are two reasons for this according to some deputies. The first is that he let himself be carried away by a feeling of gratitude, appointing delegates to the ARENA convention which gave him a victory over Laudo Natel in 1978 to public office, even some of the highest.

The other reason is his passive attitude with regard to the multiple accusations of dishonesty which in the end do harm to any government leader. A number of PDS deputies believe that Maluf has calmly accepted such attacks, without going to the courts, with the justification that Brazilian legislation does not provide for punishment for those who perpetrate crimes in the press. In this way he has lost points with the public.

Another reason noted for his deteriorating reputation lies in excessive centralization. He allows no one to stand out, just as he does not permit new names to come to the fore. "The poor prefect, Reynaldo de Barros, cannot even appoint a regional administrator," another deputy notes.

Deputy Erasmo Dias also believes that the governor's "ups and downs" are due to centralization.

"Who knows who the secretaries in Sao Paulo are? Anyone pursuing such centralization polarizes the negative and positive extremes. Moreover, he has proposed some dazzling goals and he is losing thereby."

In the view of Erasmo Dias, there is no doubt that Maluf "is passing through a negative stage, one of low credibility. For the people are beginning to assess what he has done and what he has failed to do."

Another criticism made of him has to do with the group of his seven closest advisers, none of them with political experience. "Maluf is surrounded by people without political experience and without such administrative qualification."

In the view of the PDS deputies, Maluf no longer inspires confidence in "the results of the recent past. On the contrary, he is the focus of such unpopularity that it may contaminate the entire party."

5157
CSO: 3001

NORTHEAST INDUSTRIAL PRODUCTION 3.69 PERCENT LESS THAN IN 1975

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 16 Jul 80 p 24

[Text] Industry in the northeast has been hit by a fast recession, judging by the data released yesterday by the IBGE [Brazilian Institute of Geography and Statistics] on industry's regional performance this year. In April, industrial output in the northeast dropped 3.69 percent compared to the 1975 figure.

This dramatic crisis indicator furthermore points to a vast process of spreading poverty in the northeast, as compared to the country's more developed regions. Along with the decline of industry in the northeast, the IBGE data show that industry in Minas Gerais grew 41.56 percent over the past 5 years; industry in Rio de Janeiro increased 26.66 percent; in the south (including Sao Paulo) it grew 61.15 percent; and industry in Rio Grande do Sul went up 34.83 percent. Overall, Brazilian industry increased by 42.4 percent.

This enormous discrepancy in the industrial development process between the principal Brazilian regions can also be detected if we analyze industry's two basic branches. Thus, the mineral extraction industry in the north shows a drop of 10.41 percent in April of this year compared to the 1975 output. On the other hand, mineral extraction in Minas Gerais went up 30.77 percent during that period of time; in Rio de Janeiro, it showed an increase of 50.63 percent; in the south (including Sao Paulo) it went up 104.2 percent; and in Rio Grande do Sul, the increase was 37.03 percent.

The processing industry indicators--involving another major industry branch--present the same picture. While output in the northeast declined in April of this year by 3.36 percent compared to 1975, the output went up in Minas Gerais by 44.33 percent, in Rio de Janeiro by 26.52 percent, in Sao Paulo by 21.93 percent, in the southern region by 60.2 percent, and in Rio Grande do Sul by 34.77 percent. We also note the fact here that the processing industry in Pernambuco during this period of time grew 15.59 percent, confirming the picture of serious decline in the other northeastern state.

The industrial situation in the northeast over the past 12 months only confirms the above data. According to IBGE statistics, industry in the northeast, from January until April of this year, showed an output decline in January, compared to January 1979; in February, the decline went up to 1.07 percent; in March the drop was already 2.54 percent, in April the decline came to 3.14 percent; for each month, the comparison was made to the decline last year.

5058
CSO: 3001

SAUDI ARABIA INTERESTED IN PURCHASING ARMAMENT

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Jun 80 p 4

[Text] Brasilia--Ammunition, cannons and small rockets made, respectively, by the Brazilian Cartridge Company (CBC), ENGESA [Specialized Engineers, Inc] and AVIBRAS, are some of the armaments Saudi Arabia is interested in and may buy from Brazil over the medium term, depending upon conversations between Brazilian businessmen of the armaments sector and a Saudi military delegation that is visiting Brazil at the invitation of ENGESA.

The delegation, headed by Gen Saad Ali Al-Moena and including four other members, one of whom is a civilian, yesterday visited Army Chief of Staff Gen Ernani Ayrosa and attended a luncheon given by ENGESA at the Army Club. The luncheon was closed to reporters and was attended by several officers, including the deputy chief of the Ordnance Department, Gen Bento Bandeira de Mello.

Military sources explained that the Saudis came at the invitation of ENGESA as observers, and there is no implicit commitment by the Arabs to buy Brazilian armament. However, ammunition for smaller than 40-caliber weapons and for cannons made by CBC, the 90-millimeter cannons made by ENGESA and the small rockets made by AVIBRAS may be on the agenda of future negotiations.

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CSO: 3001

SOUTH KOREA INTERESTED IN ESTABLISHING TRADE BALANCE

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 2 Jul 80 p 26

[Text] "If it were possible for South Korea to drill a hole through the earth, we would come out in Brazil: it is on the other side. But relations in business are not so rigid as in geography," said Wan Hee Kim in Sao Paulo yesterday. He is president of the Electronic Industries Association of Korea (South Korean counterpart of the Brazilian Electro-Electronic Industry Association) and was referring to prospects of trade with Brazil. The South Koreans, who are exhibiting some products--mainly components--here, are interested in establishing a trade balance between the two countries. At present this trade is very unfavorable to South Korea, which last year exported about $4.5 million to Brazil and imported about $60 million.

Trade, in the opinion of Wan Kim, "should not be unilateral; it is intended to increase bilateral trade not only by means of reciprocal sales but also by means of joint ventures and contracts for purchase and sale of technology." The trade-balance deficit worries South Korea, but increased trade could relieve current pressures for more balanced trade between the two countries.

Furnishing components to Brazil (increasing the volume of imports that are already being made on a small scale) would be the first step, followed later by more extensive negotiations, Wan Kim explained. Korean products will also be exhibited in Argentina and Uruguay, which, together with Brazil, are the Latin American markets of interest to Korea. At the same time, that country's trade is trying to penetrate Central America and Africa. Currently South Korean exports are destined for the United States (40 percent), Japan (20 percent) and Europe (40 percent).

Production of electrical and electronic goods in South Korea amounted to only $170 million in 1971 and this year should exceed $4 billion, 50 percent of which is exported. This is due, according to Wan Kim, to the South Korean economic model, making use of cheap labor and the willingness of local businessmen to produce in large volume for low profits. "Now the situation has changed: businessmen want higher profits and labor is more expensive. South Korea is now seeking production of more sophisticated equipment, with skilled labor."

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JAPANESE BUSINESSMEN CITE INTENT TO SIGN RISK CONTRACTS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Jul 80 p 24

[Article by Sinesio Fogaca de Almeida, special correspondent: "Japanese Want Risk Contracts"]

[Text] Tokyo--Japanese businessmen in recent days have been expressing an intention to sign risk contracts with PETROBRAS [Brazilian Petroleum Corporation] for petroleum exploration, preferably in areas near the Santos Basin. Although the report has not yet been confirmed officially--it was mentioned several weeks ago in the Tokyo press--it is practically certain that three companies are interested in the contracts. They have even formed a holding company called Brazilian Petroleum Development Company, as reported yesterday by Seiki Tozaki, chief of the mission made up of about 100 Japanese businessmen who will start an official visit to Brazil 19 July.

The mission is organized by the Japanese Ministry of Trade and Industry--MITI--and its main purpose is to stimulate trade; but the Japanese may negotiate new investments in Brazil. However, the possibility of signing risk contracts is not included in the delegation's official agenda.

Generally speaking, Japanese businessmen are quite reticent about confirming the information, as they would prefer to wait for an indication from Brazilian authorities or PETROBRAS to initiate discussions. Nearly all of them, for instance, deny being interested in risk contracts, although the report has been confirmed indirectly by Tozaki as well as by the former MITI secretary general, Shigeru Koino. The former merely confirmed formation of a holding company which, according to him, was created some time ago, while Koino--representing the Ministry of Trade and Industry in the mission--confirmed the interest of three Jananese companies in these contracts, although without saying which ones. He also said the Japanese prefer to wait for Brazilian authorities to take the initiative of proposing their entry into exploration before beginning negotiations.

The former MITI secretary general even asserted that the Ministry of Trade and Industry will try to provide incentives for private initiative in searching for new sources of energy or petroleum anywhere in the world. Although

not having much experience in petroleum exploration, Japan in recent years has been trying to carry out prospecting on its own soil and abroad through cooperation contracts. At present, the Japanese are developing petroleum exploration in China through bilateral contracts signed recently. Japan even has a specialized exploration agency for this prospecting.

High Consumption

Being a highly industrialized country that must have constantly increasing amounts of energy to maintain its rate of development, Japan now has no alternative other than to stimulate technological research intended to find oil--if only because its production is very small: less than 5 percent of total demand. Besides, the possibility of depleting current petroleum reserves and the high cost of petroleum in the international market worry Japanese authorities, who even conduct institutional campaigns to make the public aware of the importance of reducing energy consumption.

It is very common to find warnings in various places alerting the public to the importance of restricting consumption. In hotels, for instance, warnings are seen requesting, for the sake of the nation's future welfare, that only the necessary amount of energy be used and that guests as well as employees turn off lights and electric appliances whenever they are being used excessively or needlessly.

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DOMESTIC PRODUCTION OF ALL ARMS CITED AS NAVY'S GOAL

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Jul 80 p 4

[Interview with Navy Minister Adm Maximiano da Fonseca in Brasilia: "Navy Goal Is to Nationalize Weapons"; date and name of interviewer not given]

[Text] Brasilia--Navy Minister Adm Maximiano da Fonseca believes that in less than a decade domestic industry can supply practically all his service's needs. In an interview with O ESTADO DE SAO PAULO and O JORNAL DA TARDE, the minister noted that the percentage of foreign material used in building ships in Brazil is still quite high, "mainly in regard to weapons systems, the foreign content of which is nearly 100 percent," citing as an example the case of the two frigates rebuilt in the Rio de Janeiro Navy Arsenal. He stressed, however, that "as Brazil preprare its own ship projects, this percentage will be significantly reduced."

These were the replies the minister gave to the questions of O ESTADO DE SAO PAULO:

[Question] What is the percentage of foreign material used in buinding warships by domestic industry?

[Answer] This percentage is still very large, especially in relation to weapons systems, where it is almost 100 percent, as was the case of the two modern frigates constructed recently in the Rio de Janeiro Navy Arsenal.

With preparation in Brazil of ship projects, as we are now doing, this percentage will be significantly reduced. The training ship, for example, the project for which is almost finished, will be 76 percent domestic production. Also, the five river patrol boats, planned and constructed in Brazil--two in the Rio de Janeiro Navy Arsenal and three smaller ones in a private shipyard--had a significant degree of domestic production. It is important to note that such ships are showing an excellent performance in Amazon region operations.

Finally, I must add that the most important thing in domestic production is, without doubt, making the plans for the ship, since only in this way can we really open the path to domestic production of the materiel.

[Question] How long will it take until domestic industry can meet all the Navy's materiel needs?

[Answer] I had the opportunity of visiting the latest exposition of the National Machinery Industry held in Anhembi, Sao Paulo. From what can be seen there, I have no doubt in asserting that in less than a decade domestic industry could supply practically all the Navy's needs. Our great problem is the unavailability of funds to, in the short run, make all the investments essential to developing and executing specific projects for items that, being of exclusively military use, are not yet a part of our industry's normal line of production. In short, I have no doubt that our industry can supply all the Navy's needs, as long as it receives orders that pay for the supplementary investments that will be needed to fulfill them.

It is pertinent to note that application of the necessary funds for the plan for reequipping the Navy--or rather, the armed forces in general--would have the following big advantages: Brazil, in a relatively short time, would become self-sufficient in military materiel and hence could really assure its defense under any circumstances; it would cease to spend valuable foreign exchange for importing military materiel; it would significantly increase employment; finally, no less important, it would significantly open up a new and very promising export field, that of military equipment. The last-mentioned advantage is proven by the success ENGESA [Specialized Engineers, Inc] has been having.

[Question] When obsolete warships are deactivated, but not immediately replaced, doesn't the Navy lose part of its potential?

[Answer] Of course it does, and that is the reason for our great concern to begin as soon as possible to carry out the Navy's reequipment plan, even if on a modest scale, so we can replace the second-hand units received from the U.S. Navy that, within 5 years at the most, will have to be deactivated. If that happens, within 5 years Brazilian naval power will be at a very dangerous level.

[Question] What is the planned strength of the Navy?

[Answer] The approved strength of the Navy is: sailors--35,000; marines--15,000; all line and staff officers, including the supplementary staff--5,600; Naval Training School and Naval Academy--1,500; Navy Apprenticeship School and Reservist Training--8,000; Reserve Officers Training School--500. All these figures add up to the strength of 65,600 established by law. However, current strength of the Navy is only 47,500, which gives a deficit of about 18,000 men.

This discrepancy between actual and authorized strength is, by the way, one of the measures adopted by the Navy to reduce expenditures. But it can be filled rapidly as soon as there is some relief from financial difficulties and the Navy is able to expand to meet Brazil's actual needs.

[Question] To what extent does the Naval Academy admit students from other countries and where do they mostly come from?

[Answer] The Naval Academy admits students from other countries only sporadically, mainly due to lack of interest, since there are a number of disadvantages in an officer having his early training in a foreign school. However, our general staff courses and specialized training schools for officers and enlisted men are well attended by officers from Latin American countries--from all countries of South America and some of Central America. Besides, many officers, mainly from Latin America, regularly take training cruises on our training ship. Right now, for instance, 10 foreign midshipmen are going aboard for an around-the-world training cruise.

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CAVALCANTI SEEKS SWISS FINANCIAL BACKING FOR ITAIPU DAM

Brasilia CORREIO BRAZILIENSE in Portuguese 28 Jun 80 p 7

[Text] Rio de Janeiro--Gen Jose Costa Cavalcanti, director general of the Itaipu Binational Company, accompanied by company directors, is leaving for Switzerland tomorrow to sign three important investment and loan contracts for the Itaipu hydroelectric plant under construction, which has now reached the stage of installing equipment.

A signature ceremony will be held in Brasilia [as published] next Tuesday with the group of banks formed by Swiss Bank Corporation, Union Bank of Switzerland and Credit Swiss Volksbank for two "buyer's credit" financing contracts in the amount of 94,913,160 Swiss francs. They provide for a 500-kilovolt SF-6 shielded substation intended to raise the tension of power produced by the 18 Itaipu generating units. Directors of Brown Boveri, the supplier, and the Brazilian and Paraguayan ambassadors in Switzerland will be present at the ceremony.

Deputy Wants Information

In accordance with agreements he made with the power station's board of directors, who persuaded him to abandon his intention to establish a CPI [Congressional Investigating Committee] to investigate the Itaipu hydroelectric project, Deputy Nivaldo Krueger announced to the full Chamber yesterday the sending of a questionnaire with 15 items to General Costa Cavalcanti, the president of the binational company.

Nivaldo Krueger cited the agreement made with directors of the Itaipu Binational Company to forbear creating the CPI provided that the company furnishes information about various aspects of the undertaking.

The Questionnaire

This is the questionnaire prepared by the opposition deputy from Parana to be answered by the Itaipu Binational directors:

a) What is the amount of Brazilian capital in the enterprise?

b) Who are its directors?

c) What are the terms of the agreement with Paraguay?

d) What are the powers of these directors?

e) What financial commitments have been made thus far by these directors and where were they made? What are their due dates and at what interest rates? Who is guaranteeing them or what guarantees are provided for these loans?

f) How far along is the project now, in relation to its completion?

g) How many contractors are working on Itaipu? Have their contracts been adjusted for inflation? What adjustment, in what percentages and by what mechanism were they adjusted?

h) How many biddings were held? How many submitted bids? Who were the winning bidders? Who were the losing bidders?

i) Are any services and works performed directly? What are they and how much do they amount to?

j) What are the salaries at the administrative level? [there is no item k]

l) How much is spent for travel and lodgings? And for press relations?

m) How much did the "clinker" (fused-rock) plants cost? What is their capacity and what is their current effective production?

n) How much did construction and installation of the hospital intended to serve Itaipu cost? What is the financing source? For how much was it contracted and what was its final cost?

o) What will be the cost per installed kilowatt at Itaipu?

p) How many persons are still waiting to be compensated for expropriation of their land in the area of the basin? How much has already been spent for compensation and how much does it represent in relation to the total value of the work?

Nivaldo Krueger said he complied with the first step of the agreement signed with General Costa Cavalcanti in the presence of the majority leader, Deputy Nelson Marchezan, in the latter's office. As he is hoping to receive further information, it seems proper to request it through the questionnaire.

He emphasized that the agreement only halted creation of the CPI formally requested of the full Chamber, provided that the Itaipu Binational directors

furnish all the information needed to answer the questions raised about various aspects of the hydroelectric plant's construction.

"If the information to be requested, not only at one time but in several stages, is sufficiently explanatory, we can consider ourselves satisfied. Otherwise, we shall go ahead with the CPI idea," said Nivaldo Krueger.

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BRIEFS

PCDOB ON ARMED STRUGGLE--Sao Paulo--At a press conference held yesterday, Jose Duarte and Jose Renato Rabelo, members of the Central Committee of the Communist Party of Brazil (PCdoB), announced that as soon as it can their party will "continue preparing for the armed struggle, so that when the opportune moment arrives we will be in a position to launch it." The PCdoB was responsible for the Araguaia guerrilla uprising at the beginning of the 1970 decade. In the interview and in a lengthy document, the PCdoB leaders state that "at present, the main question on the agenda is liquidation of the military regime and achievement of full political freedom." They advocate "a united-front government of a temporary nature" and emphasize that this implies "unmasking the armed forces as reactionary, antidemocratic and antipopular, a brutal and aggressive instrument against the nation's democratic advance." [Text] [Rio de Janeiro JORNAL DO BRASIL in Portuguese 25 Jun 80 p 5] 8834

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CCP CHIEF GILBERTO VIEIRA INTERVIEWED IN CUBA

Havana BOHEMIA in Spanish 13 Jun 80 pp 66-69

[Interview with Gilberto Vieira, secretary general of the Communist Party of Colombia, by Sara Arias]

[Text] On a sunny morning in May we arrived at the house lodging Comrade Gilberto Vieira, who had been invited to take part in the ceremonies honoring May First in our country. He was already waiting for us and greeted us cordially, immediately beginning a fruitful dialog in which he carefully and thoroughly answered our questions about the complex political and socioeconomic panorama in his country, Colombia, indicating its place in the framework of the Latin-American and world situation.

This old battler--not because of his age but because of his long revolutionary career--is extremely modest concerning himself. He has been active since he was 16, first with the Revolutionary Socialists, whose vanguard was to become the Communist Party of Colombia (PCC), which will be 50 years old on 17 July. "Then I've been a member of the PCC since the day it was founded, and I've thus experienced all the stages of difficult struggles. We were clandestine, outside the bourgeois law, for 10 years, from 1940 to 1958."

Vieira immediately set out to sketch the history of the party to which his own history is closely linked. "They put me in positions of leadership at a very early age. I've been secretary general of the Central Committee since 1947, and they elected me just as the period of illegality was about to begin. Like so many other communists, I've had to face persecution, jail, courts-martial. I've never left the country for exile," he went on, "perhaps not only because we Colombian communists have a position regarding that but also because we have asylum in our own people, especially in rural areas where the party has had a strong influence. In difficult times they have provided us with political and physical protection for our cadres. This is a special factor that must be taken into account with respect to Colombian life."

We first asked our subject to give us a brief review of the present political situation in his country.

[Answer] To do that, I think it's appropriate to bear in mind the process of special capitalist development in Colombia, where a tremendously fast process of concentration and centralization of capital has been taking place, characterized by the monopolization of wealth by a dozen financial groups formed by the banks. They exercise increasing control over industry and, in general, over all sectors of the economy by means of a monopoly of bank credit, which they use to expand control of shares in major industrial firms. This process, which has led to increasing competition among sectors of the same Colombian bourgeoisie, is also characterized by the spreading ruin of the middle bourgeoisie and, naturally, the petite bourgeoisie, owners of small industrial firms, and the remaining tradesmen, who are in a process of impoverishment, of proletarianization.

The Hand of Yankee Financial Groups

This is heightening social tensions and creating an increasingly deeper gap between these financial oligarchies and the body of the Colombian people. Behind these financial groups are their powerful sponsors, the enormous Yankee financial groups, particularly those of Morgan and Rockefeller, which are extending their hegemonic control over the Colombian government. They also have growing influence over the two traditional parties, the liberals and the conservatives, which rule the country jointly. It is necessary to know this to understand, too, the process of political regression in Colombia, the offensive under way against the people's democratic rights. The most significant feature in this panorama is the expansion and heightening of the class struggle.

Role of the Working Class

[Question] We would like you to tell us particularly about the situation and the struggles of the workers' movement. There has recently been a number of major strikes, including the textile workers, demonstrations . . .

[Answer] For the past 3 or 4 years there has been a process of growing unity of action by the working class. The labor movement, which the enemy (the Yankee imperialists, the bourgeoisie, the reactionary hierarchy of the Catholic Church) had traditionally managed to divide, causing the formation of four labor federations, has in fact been overcoming these machinations: A coordinating body for these federations, the National Trade Union Council, has arisen. The Colombian Government has employed a number of divisive tactics against it, but it has not succeeded in breaking it up. The idea of unity has penetrated to the heart of the working class, and this is a very significant event. It is going to have an influence on the political development of the country that can't be foreseen yet.

Unity of the Left

[Question] I'd like to ask you about the significance and scope of the recently created Democratic Front, formed by the Communist Party, socialists,

the Independent Left Movement (FIRMES), and other groups.

[Answer] We should characterize it as a first step toward a broad front of anti-imperialist and antioligarchic groups seeking a democratic solution to the acute institutional crisis in Colombia. It was begun by a call from the movement called FIRMES, and steps were taken in the recent off-year, municipal, elections to attempt to make up single slates for the Democratic Front. This was achieved in somewhat more than half the departments in the country. In those in which it wasn't possible to reach agreement, the seed for the growth of the Front was sown.

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Our subject then gave us an interesting example of the application of this policy in the intendency of Caqueta, in the south of the country, "where an agreement was concluded among the PCC, the National Opposition Union (to which the PCC belongs), the FIRMES movement and a fairly significant segment of the left wing of the Liberal Party, which is freeing itself of the hegemonic control of the dominant bourgeoisie."

"There, the Democratic Front received a significant share of the vote, 30 percent, actually matching that of the Liberal Party, which demonstrates the possibilities of that movement. This paves the way or agreement among leftist groups concerning the basis for a specific program that reflects the deepest wishes of the Colombian people."

The Big Harvest and the Little Harvest

[Question] Then, aside from the lack of voter interest that characterized the off-year, "mitaca," municipal elections, which were just held, how would you describe their results?

[Answer] First, let me tell you, comrade, that in the present situation in Colombia, the Communist Party takes part in elections without any illusions about its chances in them. It believes that it has to make use of the elections, the electoral campaigns, as a means of political action in opposition to the enduring state of siege in the country and to mobilize the masses. It knows perfectly well, though, that without breaking the two traditional parties' present control over institutions and the organization of elections itself, it won't be possible for elections to result in profound democratic change.

We can say that the leftist groups maintained their positions regarding the previous off-year elections, commonly called "mitaca" elections, a word farmers use to describe the small coffee harvest. In Colombia, there there are two coffee harvests, a big harvest and a little one. So they call these off-year elections "mitaca," the less important ones for the people.

However, we communists do consider them important because experience has taught us that the performance of the communist municipal councils is a pretty good tool in the revolutionaries' mass work. Also, to an extent it makes it possible to protect the people's interests from the policy of increasing taxes and of continually raising the rates of public service companies, which nowadays live for their plans for expansion with loans from American financial institutions, on the basis that these will be borne by the users.

The presence on municipal councils of communists and other leftists is also important for the protection of interests dear to the public and for the democratic struggle in general, for denunciation of persecution by the military, of torturing of political prisoners, and of other characteristics of the antidemocratic system now existing in Colombia.

Guerrilla Warfare One of the Expressions of the Peasants' Struggle

[Question] You mentioned the peasants a moment ago. Concerning them, I would like you to tell us about their situation and their degree of organisation in comparison with the development of the labor movement.

[Answer] The struggle in the Colombian countryside has special characteristics, those of struggle against ownership of large estates, against armed gangs, and against the military forces that protect the large landowners' interests. For many years in Colombia, this has meant that the peasant struggles in a number of regions take the form of guerrilla warfare, which in our country is firmly connected with the agrarian issue. It is one of the forms of struggle against ownership of large estates.

Added to this are other problems related to organization of many peasants into a labor union, which encounters many difficulties owing to repression by the military and oppression by owners of large estates. At present, communists and others are making an effort to organize farmworkers' unions; and there are also organizations in the Indian regions with large memberships, such as the Regional Indian Council in Cauca Department. There is, moreover, a unifying movement for the growth of large peasants' organisations, a National Agrarian Council, in which various farmers' organisations are represented. As a rule, these have arisen beside each of the labor federations, but they are much less well organized than the working class because repression by the military is especially fierce and bloody in the fields of Colombia.

A Process of Militarisation

[Question] Concerning this, I would like you to tell us about the role played by the Army in your opinion, not only in the repression of the peasants but in the overall situation in Colombia.

[Answer] Well, for years Colombia has been suffering from a process of growing militarization. The country holds a world's record for state of siege, surpassing even Paraguay. It's been essentially since 1948, with very brief breaks, for the bourgeoisie has come to the conclusion that this provides a very comfortable way of running the country with a class dictatorship poorly disguised as a bourgeois democracy.

The Colombian Government asserts that the state of siege there isn't the same as that in other countries. This is a very strange argument, for the truth is that it enables it to govern as it wishes by means of decree-laws that it can issue, bypassing the current bourgeois legislature. The other element is that it enables the dominant class to maintain--along with civil courts--military courts to judge civilians accused of "subversion." And, finally, under the state of siege the Colombian people's rights of free self-expression and public gathering are kept restricted.

With respect to the Army's role, top officials are very interested in enactment of the state of siege, which means increasing power for them. They have both a political interest and an economic one: While it has been in force, time in service has been counted as doubled for military promotions, and they have special bonuses. Thus, one of the basic demands of the democratic movement in Colombia is that the state of siege be lifted, that an end be made of this abnormal system and that another, democratic, one, with real freedoms for the people, be instituted.

I want to note, too, that intervention by the American military plays a very special role in this problem of militarism in my country. In Colombia--a fact that's taken for granted--there has been an American military mission for many years. Its office adjoins the Ministry of Defense, and it takes part in the guidance and direction of the Army, monitors its activities and reports each day to its command centers, the Pentagon and the Canal Zone in Panama, what is going on in the Colombian Army. Naturally, moves against the people are decided upon there. The Colombian Army has become the armed instrument of the imperialists and oligarchy to be used against the people.

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Here, Vieira said that the Colombian commun try not to involve the entire Army in their criticism, exposing the most reactionary segments--who are subservient to Yankee imperialism, "those we could label representatives of fascist militarism"--as enemies of the people. At the same time, there are also some democratic, patriotic, sectors in the country's armed forces, which "is shown by the frequent crises at high command levels, whereby officers holding these views are dismissed."

Repression and Denunciation

Then our subject spoke of the struggle against the fascist militarists' practices.

"Throughout all of last year and during this one, a widespread, growing campaign of denunciation of repression has developed, especially concerning the torture of political prisoners at military facilities, at headquarters offices and in prisons, involving methods similar to those used by the fascist military tyrants in Uruguay. Denunciation of these vicious practices was particularly vigorous at the Forum for Human Rights and Democratic Liberties at the end of April 1979. There was participation by political and social groups that had never acted together in Colombia: communists, socialist groups, leftists in general, and major figures from the traditional ruling parties who dislike these fascist methods.Other participants included officials and priests from the Catholic Church, writers, journalists and artists. Out of this forum there arose a Movement for Human Rights and Democratic Liberties, which is becoming increasingly important and steadily larger; and its campaign has received international attention.

"For example, when the president of the republic traveled to Mexico and and a number of European countries last year, he encountered protests by democratic groups everywhere regarding torture in Colombia, and press conferences in European capitals became a genuine problem. This led the president, when in London, to invite an international organization to conduct an investigation in our country in order to counteract the campaign of denunciation. A few weeks ago, the organization published its report, which was extensive and well documented, and it was a vigorous condemnation not only of the torture, which it fully documented, but of the entire Colombian political system. In an effort to counteract this report, the government issued an invitation to the OAS Committee on Human Rights in hopes that it would draw up a less harsh report. However, there are indications that this report is also going to be a condemnation of the military's methods in Colombia."

[Question] This prompts us to ask the following question: What political significance do you attribute to the recent action by M-19, and its consequences within and outside the country?

[Answer] M-19's action involving the Dominican Embassy falls within the framework of these struggles against militarism and the torture of political prisoners. This clandestine group fittingly gave the name Marcos Zambrano to the team that carried out this action. This is the name of a young M-19 member who died as a result of the terrible torture he suffered at the hands of the military.

Thus, above all, the M-19 action must be characterized as another form of protest against the military's torture of political prisoners. And

there's no doubt that M-19's action attracted a great deal of attention both nationally and internationally. The entire world learned about the seriousness of the problem of the torture of political prisoners.

For its part, the Communist Party--and other leftist groups--called from the outset for a negotiated solution to the problem, opposing any attempt by the military to take the Dominican Embassy. A very complicated and interesting situation developed in Colombia, whereby there came to light contradictions both within the regime, on one hand, and between the extreme militarist position--to take the embassy by storm--and the one that more or less favored a negotiated solution, which finally prevailed.

It's true that the M-19 team didn't achieve all its objectives--For example, they were demanding freedom for over 300 political prisoners--but they did achieve a major end politically by forcing the government to agree that the hundreds of citizens accused of belonging to M-19 and of being auxiliaries of the so-called Revolutionary Armed Forces are political prisoners subject to military courts which act as judge and accuser.

[Question] Earlier you mentioned the Church as being among the groups that spoke out against the repression. I'd like you to tell us about the position of the Catholic Church, for priests have often been heard to denounce the torture and murder of peasants.

[Answer] Yes, there's been a significant change in the position of the Church in Colombia, which until a few years ago was a reactionary force very closely linked with the country's landowning, semifeudal interests. It must be recalled that this change began with the heroic struggle of the priest Camilo Torres Restrepo, who began to try to start a united front movement, which now is very important. The story ended with the epic of Father Camilo Torres' joining the ELN [Army of National Liberation] guerrillas and his dying in combat. His example has borne fruit among increasing numbers of clergymen.

First of all, I want to note that there are priests who are deeply involved in the people's struggles, who are with the people, with the working class, with the peasants and with the Indians. This has been demonstrated even in the sphere of the recent, mitaca, elections. There was the genuinely novel instance of a Catholic priest's heading the Democratic Front's slate, which included the communists, for the municipality called Colombia, in Huila Department; and he was elected: Father Cadenas. The most reactionary, conservative people tried to pressure the bishop of the diocese into withdrawing approval, but the bishop refused. The case of Father Cadenas isn't unique. Behind him there's a whole group of Catholic priests.

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The Andean Pact Crisis

In the light of recent events, it is inevitable that we would seek our subject's opinion about recent actions involving the Andean Pact.

"In reality, the Andean Pact has been failing to achieve its initial goals, which at the time entailed a plan for autonomous development that would counteract the American imperialists' dictates. Events have been demonstrating that the American imperialists, the great monopolies, are using it to have a broader market in those countries. The most serious crisis began when they tried to prevent the withdrawal of Pinochet's Chile. He did a job, carried out a task assigned to him by the Yankee imperialists to pervert the Andean Pact. He also succeeded in having members renounce fundamental points established when it was founded, regarding limitation of repatriation of foreign firms' earnings. But Pinochet's Chile withdrew. Since then, the crisis has gotten worse with respect to purely economic matters.

"What has really been a complete disaster for the bourgeoisie in these countries is the effort to have the Andean Pact also act as a political front. For example, they've tried to make it play a role against Cuba at the recent meeting held in Lima, using as a basis the major provocation created here by the Republic of Peru's Embassy, trying to use the famous issue of the right of asylum as a tool against the Cuban Revolution. And then they tried to have the Andean Pact governments issue a statement criticizing the Cuban Revolution and supporting Peru's actions. But the very instigators of that tactic then proved to be disappointed with the results of the Lima meeting; and the most reasonable members of the Colombian bourgeoisie are critical of efforts to make the Andean Pact a political tool wielded against the Cuban Revolution and against revolutionary movements in other countries."

Reviving the Cold War

Following the thread of the conversation, it seemed logical to ask Vieira his opinion, considering Colombia also as a Caribbean country, regarding planned Yankee military maneuvers in the Caribbean.

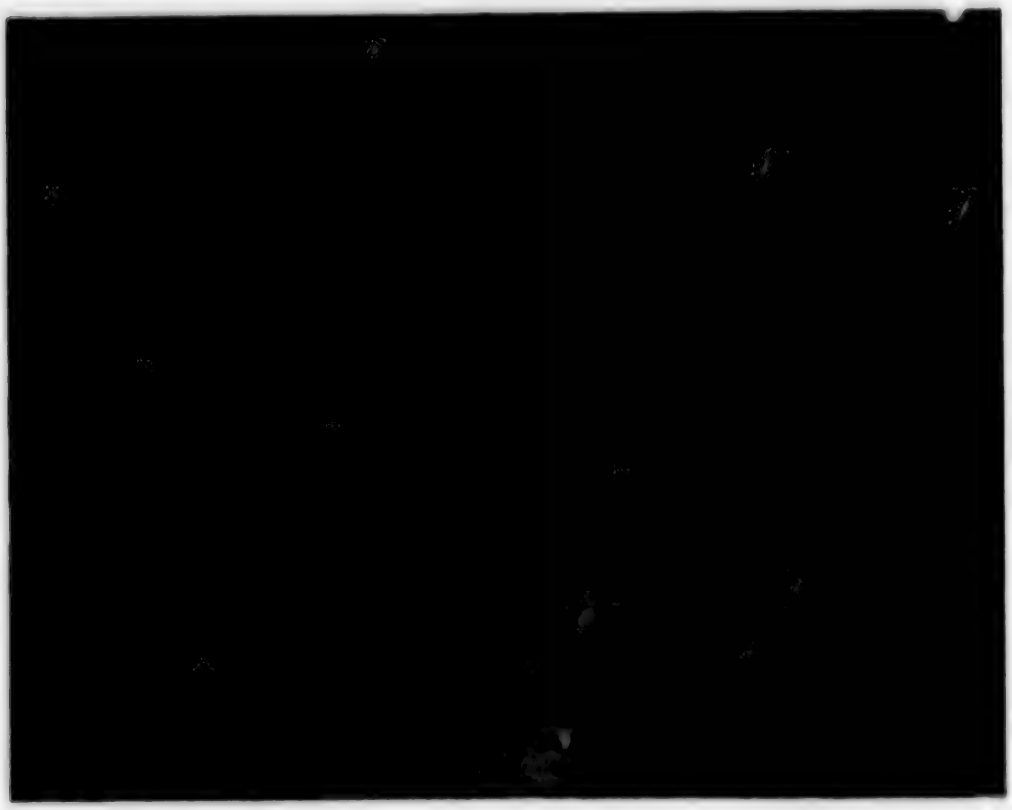
"Well, I think that this blackmail by the Yankee imperialists is aimed primarily at Cuba, which is the vanguard for all the people in Latin America and particularly in the Caribbean. But it is also aimed at the revolutionary process taking place in Central America, against Nicaragua, El Salvador, Guatemala, even against Panama and Colombia.

"I think these intimidating maneuvers, in the minds of the Yankee imperialists, are, moreover, a part of a worldwide turn by the U.S. Government toward a new period of cold war. This is linked with the anti-Soviet campaign and, in general, with the campaign against the socialist countries, and, I repeat, the obvious step taken by the Carter government

toward revival of the cold war, which now has as its advocate the discredited Mr Nixon, who recently published a book, given considerable attention by the bourgeois press, in which he speaks of the usefulness of the third world war.

But this attempt to intimidate the people's movement and those favoring national liberation in the Caribbean countries will in no way intimidate the Cuban people, who have demonstrated their resoluteness and heroism for over 20 years in the face of threats from the Yankee imperialists, and it won't intimidate any of the people of the Caribbean in their struggle for democracy, national independence and their rights."

Here it strikes us as fitting to cite the words of Gilberto Vieira, who a few minutes earlier noted as a trait of the Communist Party of Colombia "its consistent, proven internationalism."



"We, of course, believe that we are primarily in the struggle for the emancipation of the Colombian people and that our task lies i' Colombia; but we feel a part of a great international struggle. Therefore, at every moment we stand in solidarity with the socialist countries, with the Soviet Union and especially with the Cuban Revolution. We believe that revolutionaries who declare their independence of the international struggle are making a mistake, and we insist that it is impossible to be indifferent, neutral, regarding the struggle between the world's systems: socialism and monopoly capitalism. We believe that all the revolutionaries in Colombia and Latin America must have a definite, concrete position concerning the historic event that marks our future path, that gives us impetus: the Cuban Revolution."

9085
CSO: 3010

STATE LABOR COMMITTEE RESOLUTIONS ON GENERAL WAGE REFORM

Havana GRANMA in Spanish 7 Jul 80 p 4

[Text] Resolution No. 476: General Wage Scale, Rates for All Occupational Categories in Country

Havana (AIN)--The CETSS [State Committee for Labor and Social Security] dictated Resolution No. 476 on the general wage scale and the rates for all occupational categories in the country.

This resolution will go into effect after publication in the GACETA OFICIAL DE LA REPUBLICA.

The text of Resolution No. 476 is as follows.

Whereas: The main objective of the General Wage Reform approved by the executive committee of the Council of Ministers is the application of the principle of socialist distribution based on the quantity and quality of work contributed which is essential for obtaining the results expected from the SDPE [Economic Management and Planning System];

Whereas: The scale, which is the part of the wage system which establishes the different degrees of complexity of work throughout the economy and their quantitative relationship, has two basic aspects: the number of groups and coefficients. The former establishes the different degrees of complexity and the latter expresses the quantitative relationship between those complexity groups and the less complex group;

Whereas: The rates on the wage scale determine payment in cash to the worker for the work he does within a certain unit of time based on the degree of complexity of the work;

Whereas: Within the wage system, the scale plays an important role by serving as the basis for the entire payment structure according to the complexity of the work with the groups and coefficients conditioned by the level of development attained by the technology, the degree of improvement of production and work organization and the general and technical-professional training received by the workers;

Whereas: The introduction to our economy of more advanced production technologies, the improvement of production and work organization, the increased technical-professional level of the workers, the gradual implantation of the SDPE and the present political-administrative division make the existing wage scale inadequate for present needs; and

Whereas: By agreement of the executive committee of the Council of Ministers, a new wage scale and rates should be established leading to greater correspondence between social interests and individuals, achieving more consistency in wages for different occupational categories based on national economic and social conditions;

Therefore: In use of the prerogatives granted to me,

I resolve:

First: To approve the following general wage scale and rates for all occupational categories in the country:

		Laborers		Other Occupational Categories
Group	Coefficient	Hourly Rate	Monthly Wage	Monthly Wage
I	1.00	0.49 p	93.39 p	85.00 p
II	1.14	0.56	106.74	97.00
III	1.31	0.64	121.98	111.00
IV	1.51	0.74	141.04	128.00
V	1.74	0.85	162.01	148.00
VI	2.01	0.98	186.79	171.00
VII	2.33	1.14	217.28	198.00
VIII	2.48	----	------	211.00
IX	2.72	1.33	254.02	231.00
X	2.94	----	------	250.00
XI	3.12	----	------	265.00
XII	3.29	----	------	280.00
XIII	3.47	----	------	295.00
XIV	3.65	----	------	310.00
XV	3.82	----	------	325.00
XVI	4.00	----	------	340.00
XVII	4.18	----	------	355.00
XVIII	4.35	----	------	370.00
XIX	4.53	----	------	385.00
XX	4.71	----	------	400.00
XXI	5.00	----	------	425.00
XXII	5.29	----	------	450.00

Despite the above, in the specific case of technicians, intermediate wages between groups can be established up to Group X on the scale in order to adjust wage levels to permit payment for work results.

Second: The occupations under the category of laborer are divided into eight groups of complexity as follows:

Group	Coefficient	Hourly Rate	Monthly Wage
I	1.00	0.49 p	93.39 p
II	1.14	0.56	106.74
III	1.31	0.64	121.98
IV	1.51	0.74	141.04
V	1.74	0.85	162.01
VI	2.01	0.98	186.79
VII	2.33	1.14	217.28
IX [sic]	2.72	1.33	254.02

Third: To approve the following special wage scale for manual and non-mechanized agricultural and forestry activities with the groups, coefficients and rates below:

Group	Coefficient	Hourly Rate	Monthly Wage
I	1.00	0.43 p	81.96 p
II	1.16	0.50	95.30
III	1.35	0.58	110.55
IV	1.56	0.67	127.70

Fourth: The occupations under the category of administrative and service worker are divided into eight groups of complexity as follows:

Group	Coefficient	Monthly Wage
I	1.00	85.00 p
II	1.14	97.00
III	1.31	111.00
IV	1.51	128.00
V	1.74	148.00
VI	2.01	171.00
VII	2.33	198.00
IX [sic]	2.72	231.00

Fifth: The occupations under the categories of laborer and administrative and service worker in Group VIII of the present scale will be in Group IX of the scale established by this resolution.

Sixth: The occupations under the category of technician are divided into 19 groups of complexity as follows:

Group	Coefficient	Monthly Wage
IV	1.51	128.00 p
V	1.74	148.00
VI	2.01	171.00
VII	2.33	198.00
VIII	2.48	211.00
IX	2.72	231.00
X	2.94	250.00
XI	3.12	265.00
XII	3.29	280.00
XIII	3.47	295.00
XIV	3.65	310.00
XV	3.82	325.00
XVI	4.00	340.00
XVII	4.18	355.00
XVIII	4.35	370.00
XIX	4.53	385.00
XX	4.71	400.00
XXI	5.00	425.00
XXII	5.29	450.00

The fixed monthly wages starting with Group XVI are allocated for specializations that require a long, confirmed practice, technical experience, exceptional responsibilities or other unusual characteristics.

Seventh: The positions under the occupational category of leader are divided into 20 groups of complexity as follows:

Group	Coefficient	Monthly Wage
III	1.31	111.00 p
IV	1.51	128.00
V	1.74	148.00
VI	2.01	171.00
VII	2.33	198.00
VIII	2.48	211.00
IX	2.72	231.00
X	2.94	250.00
XI	3.12	265.00
XII	3.29	280.00
XIII	3.47	295.00
XIV	3.65	310.00
XV	3.82	325.00
XVI	4.00	340.00
XVII	4.18	355.00
XVIII	4.35	370.00
XIX	4.53	385.00
XX	4.71	400.00
XXI	5.00	425.00
XXII	5.29	450.00

The monthly wages of the leadership positions are, in general, higher than those of the technical positions under them.

Eighth: The rates of the wage scale are calculated on the basis of an 8-hour day, a 44-hour week and an average 190.6-hour month.

Ninth: The wage increases produced by the application of the new scale and rates will cause the bonus derived from the historic wages of the worker to decrease in the same amount with the exception of the occupational category of leader which does not have historic wages.

Tenth: The present wage scale remains in effect until it is replaced by the application of the new scale and rates according to the features of the general wage reform.

Eleventh: All legal provisions contrary to the present resolution are repealed.

Twelfth: Let this be published in the GACETA OFICIAL DE LA REPUBLICA for general knowledge.

Given in the city of Havana on 1 July 1980.

[Signed] Joaquin Benavides Rodriguez, minister-president, CETSS

Note: This resolution will go into effect after publication in the GACETA OFICIAL DE LA REPUBLICA.

Resolution No. 477: Wage Treatment of Recent Graduates

Havana (AIN)--The CETSS dictated Resolution No. 477 which regulates wage treatment of recent graduates who will take technical jobs at the basic, intermediate or advanced levels.

This resolution will go into effect on the date it indicates after publication in the GACETA OFICIAL DE LA REPUBLICA.

The text of Resolution No. 477 is as follows.

Whereas: The policy of training, selection, placement, promotion and advancement of cadres, oriented by party and government leaders, establishes that the graduates of study centers will not be placed directly in central organizations without having first had experience at lower levels nor will they be assigned to the more complex and responsible jobs without first having performed simpler jobs; and

Whereas: To fulfill the general features of the General Wage Reform approved by the executive committee of the Council of Ministers, it is necessary to establish norms to regulate the wage treatment of recent graduates who take technical jobs at the basic, intermediate or advanced levels;

Therefore: In use of the prerogatives granted to me,

I resolve:

First: Recently graduated technicians without labor ties will be placed in occupations of less complexity approved in the appropriate scale of occupations within the specialty studied and cannot be tied to the management systems of the central state administration organizations or the provincial people's government organs nor can they hold positions of leadership at any level.

Second: If, despite the above clause, it becomes necessary to make an exception and place recent graduates in the management system of an organization or organ mentioned above or appoint them to fill positions of leadership at any level, the approval of this state committee must be obtained first.

The heads of the organizations and the executive committees of the provincial people's government organs will request the above-mentioned approval from the president of the CETSS.

Third: Basic technical occupations are those that require qualifications obtained by passing grades 9 to 11 inclusive in the regular educational system and specific knowledge of a certain technology.

Fourth: Intermediate technical occupations are those that require diplomas from technological institutes or other equivalent educational centers and also those that require, in addition to graduation from 12th grade, other specific knowledge of a certain technology.

Fifth: Advanced technical occupations are those that require diplomas from advanced education centers.

Sixth: Recent graduates of advanced education centers, technological and polytechnical institutes and other educational centers of central state administration organizations and local people's government organs without labor ties whose educational plans and programs have been approved by the Ministry of Education will receive the following wages during their first 2 years if they work in an occupation whose requirements demand that knowledge:

Technical Level	Monthly Wage
Basic	111.00 p
Intermediate	148.00
Advanced	198.00

Seventh: Recently graduated doctors, once employed, will receive a monthly wage of 231.00 pesos for their first 2 years.

Eighth: The aspects of present legal provisions which are contrary to the present re[illegible]olution are null and void.

Ninth: This resolution will go into effect on 1 July 1980.

Tenth: Let this be published in the GACETA OFICIAL DE LA REPUBLICA for general knowledge.

Given in the city of Havana on 1 July 1980.

[Signed] Joaquin Benavides Rodriguez, minister-president, CETSS

Note: The present resolution will go into effect on the date it indicates after publication in the GACETA OFICIAL DE LA REPUBLICA.

Resolution No. 478: On Wages for Personnel of People's Tribunals of the Judicial System, Attorney General's Office

Havana (AIN)--The CETSS dictated Resolution No. 478 on adjustment of established wages in the legal bodies of the people's tribunals of the judicial system and the Attorney General's Office.

This resolution will go into effect on the date it indicates after publication in the GACETA OFICIAL DE LA REPUBLICA.

The text of Resolution No. 478 is as follows.

Whereas: The executive committee of the Council of Ministers has approved a General Wage Reform which includes new wage organization for technicians, including the personnel of the Supreme People's Tribunal, the provincial and municipal people's tribunals, the Attorney General's Office, the provincial and municipal attorney general's offices and the judicial secretaries of the tribunals at all levels;

Whereas: Resolutions No. 110 and No. 117 of 22 March 1978 and 30 March 1978 respectively, both by the president of the CETSS, presently regulate the wages of the personnel of the people's tribunals of the judicial system and the Attorney General's Office; and

Whereas: It is necessary to adjust the established wages for the legal bodies to which the above clause refers to the features of the approved General Wage Reform, once the studies by this state committee on court and attorney general positions were finished;

Therefore: In use of the prerogatives granted to me,

I resolve:

First: To establish the following wages for the court positions at all levels:

a) Supreme People's Tribunal		
Vice president	400.00	p
Court president	395.00	
Judge	370.00	
Tribunal secretary	340.00	
Court secretary	325.00	
b) Provincial People's Tribunal		
President	370.00	p
Court president	355.00	
Judge	340.00	
Tribunal secretary	310.00	
Court secretary	295.00	
c) Municipal Tribunal		
President	310.00	p
Judge	295.00	
Judicial secretary	198.00	

Second: To establish the following wages for the positions at the attorney general's offices:

a) Attorney General's Office		
Attorney general	450.00	p
Deputy attorney general	400.00	
Office chief attorney	385.00	
Department chief attorney	370.00	
Attorney	370.00	
Secretary	340.00	
b) Provincial Attorney General's Office		
Provincial chief attorney	370.00	p
Department chief attorney	355.00	
Assistant chief attorney	340.00	
Attorney	340.00	
Secretary	310.00	
c) Municipal Attorney General's Office		
Municipal chief attorney	310.00	p
Attorney	295.00	

Third: On the date the present resolution goes into effect, the people who hold positions as presidents, vice presidents, judges and secretaries and receive wages higher than established for those positions in Resolution No. 110 of 22 March 1978 by the president of the CETSS will continue receiving them, with the difference between those wages and the wages established in the first clause of this resolution considered as a bonus.

Fourth: The monthly wages of the judges, attorneys and secretaries who do not meet the requirement of being an advanced law graduate on the date this resolution goes into effect are as follows:

a)	Tribunals	
	Court secretary of Supreme People's Tribunal	295.00 p
	President of Provincial People's Tribunal	231.00
	Court president of Provincial People's Tribunal	231.00
	Judge of Provincial People's Tribunal	231.00
	Secretary of Provincial People's Tribunal	211.00
	President of Municipal People's Tribunal	211.00
	Judge of Municipal People's Tribunal	211.00
	Court secretary of Provincial People's Tribunal	211.00
b)	Attorney General's Office	
	Provincial chief attorney	231.00 p
	Provincial department chief attorney	231.00
	Assistant chief attorney	231.00
	Provincial attorney	231.00
	Secretary of Attorney General's Office	231.00
	Secretary of Provincial Attorney General's Office	211.00
	Municipal chief attorney	211.00
	Municipal attorney	211.00

Fifth: Once the requirement of being an advanced law graduate to which the previous clause refers is met, the judges, attorneys and secretaries will receive the monthly wage that corresponds to their positions according to the first and second clauses of this resolution.

Temporary Provision

The wages fixed for judges in Clause a) of the fourth section of this resolution are in effect until the present mandate expires in 1983.

Final Provisions

First: Resolutions No. 110 of 22 March 1978 and No. 117 of 30 March 1978, both by the president of this state committee, are repealed.

Second: The vice president in charge of work organization and wages for the service sector of the CETSS is authorized to dictate as many provisions as necessary for the best application of this resolution.

Third: This resolution goes into effect on 1 July 1980.

Fourth: Let the present resolution be made known to the Supreme People's Tribunal, the Ministry of Justice and the Attorney General's Office and be published in the GACETA OFICIAL DE LA REPUBLICA for general knowledge.

Given in the city of Havana on 1 July 1980.

[Signed] Joaquin Benavides Rodriguez, minister-president, CETSS

Note: The present resolution will go into effect on the date it indicates after publication in the GACETA OFICIAL DE LA REPUBLICA.

7717
CSO: 3010

MEXICAN ENVOY DISCUSSES LOPEZ PORTILLO'S COMING VISIT

FL161201 Havana Voice of Cuba in English to North America and the Caribbean 0500 GMT 16 Jul 80

[Text] Mexican Ambassador to Cuba Gonzalo Martinez Corbala said that President Jose Lopez Portillo's upcoming visit to Cuba reaffirms the principles of Mexican foreign policy, which are based on the struggle for peace and respect for the people's self-determination. The Mexican diplomat said that his country is interested in putting an end to all conflicts in the world, especially in the Caribbean. He also expressed Mexico's respect for the people's sovereign will and non-interference in other countries' internal affairs.

Marti -- Corbala disclosed that there are great possibilities for broade...ng scientific and technical cooperation as well as trade relations between Cuba and Mexico. He recalled that a Mexican trade delegation arrived in Havana Sunday for this purpose and referred to the aid Mexico can give Cuba in the exploitation of oil in the Cuban maritime shelf.

President Lopez Portillo's visit, he concluded, will serve to concretize some of these points, which, without doubt, will help strengthen the two countries' friendship and mutual cooperation.

CSO: 3020

RADIO HAVANA DENOUNCES KILLING OF SALVADORAN HEALTH WORKERS

PA250252 Havana International Service in Spanish 2310 GMT 24 Jul 80

[Commentary: "Our America"]

[Excerpt] The repression in El Salvador which in recent months has taken the lives of thousands of workers, peasants, students, professionals and priests, has no limits. Churches, schools and hospitals have been raided by the repressive forces of the Christian Democratic military tyranny to consumate their crimes. The Salvadoran Health Workers National Committee recently led a strike to protest against military interventions and other arbitrarinesa committed in the country on health centers against doctors, nurses, employees and patients. As denounced on many occasions, army troops, police detachments and members of the paramilitary gangs frequently break into hospitals to kidnap or kill doctors, nurses and patients. In other instances, they have dynamited health centers in which those opposed to the fascist tyranny are recovering from their wounds. More than 40 doctors, medical school students, hospital workers, administrative personnel and technicians, members of the Red Cross and patients, have been murdered since 15 October. Most of these crimes were committed inside the hospital. It is also common in this Central American country for the repressive gangs to raid the hospitals and health centers to steal medical supplies and medicines to military hospitals. They also prevent the Red Cross from giving aid to the revolutionaries wounded in combat. All these charges which could be broadened in dramatic details, were recently confirmed by a U.S. medical delegation who traveled to El Salvador to find out the truth about this.

CSO: 3010

FIVE-YEAR PLAN TO IMPROVE AVAILABILITY OF CLOTHING, SHOES

PA240012 Paris AFP in Spanish 0240 GMT 23 Jul 80

[Article by Alfredo Munoz-Unsain]

[Text] Havana, 22 Jul (AFP)—Cuban men and women will be able to dress in the latest fashion if one purpose of the new five-year plan is fulfilled. The plan was made public and calls for changes which imply a true "modernization" of Castroite socialism.

Consumers of all ages and both sexes have complained for the last 20 years of the mediocre quality and deplorable designs of clothing and shoes which are produced--in insufficient quantities--by the state-owned factories.

Privately owned factories have not existed in Cuba since the sixties when some were nationalized and integrated into consolidated units and others were abandoned to rot and rust.

However, they may emerge again since one of the provisions of the next five-year plan theoretically permits their reestablishment through workers cooperatives which would even pay taxes.

Both taxes and workers cooperatives, other than peasant cooperatives, are innovations to be made in Cuba by the five-year plan consisting of a 25,000 word document.

On at least two occasions the document emphasizes the need to produce clothing "according to the demand and the fashions" as well as to "pay special attention to the production, design and selection of clothing appropriate for laborers and other workers."

Therefore, it is necessary to increase production of textiles at least 65 percent in relation to the five-year period now ending, "to diversify the designs and to improve the quality" of the clothing and to manufacture more with double shifts in the factories and, if necessary, through homework.

Homework, which is contracted out by factories to women for whom it is more convenient to sew at home, disappeared in Cuba years ago.

Free contracting, piecemeal work and other methods of employment which according to the plan will become generalized in the country during the next five-year plan, will permit the worker to employ himself wherever he wants to instead of working at an assigned job as he does now.

Regarding shoes, which also carry instructions to "improve the quality and design," at least 23 million pair must be manufactured from leather and 6 million from rubber and sailcloth between 1981 and 1986, which is 14 percent more than between 1975-1980.

A similar concern for the quality of nutrition is also reflected by establishing that industrial plants of this sector must improve their technology, diversify the selection, improve the processes and utilize the by-products.

The plan also advocates the development of local industries to produce goods for the home. Cooking utensils, the absence of which makes housewives neurotic, such as coffee strainers, cheese graters or the simple funnel, are still coveted articles in Cuba.

CSO: 3010

BRIEFS

EDUCATIONAL ACHIEVEMENTS—A letter sent by the culture and communications workers trade unions to Commander in Chief Fidel Castro on the occasion of the workers' victory in the battle for a sixth grade education reads: Dear Fidel: With genuine joy and sincere proletarian pride we wish to report to you that the national trade unions of culture and communications workers have declared themselves victorious in the battle for a sixth grade education, having become the first to achieve such high honor in the country. [FL231217 Havana Domestic Service in Spanish 1100 GMT 23 Jul 80]

SANTA CLARA PARTY MEETING—Chaired by PCC politburo members Serio Del Valle and Arnaldo Milian as well as central committee member Jesus Montane and Raul Rodriguez Lopez, first party secretary in Villa Clara Province, a meeting was held in the municipality of Santa Clara to evaluate, elect and/or reelect party officers. After discussing and approving the principal report read by Jose Andres Veitia, first party secretary in the city of Santa Clara, the participants elected the new municipal committee and Andres Veitia was reelected. Raul Rodriguez Lopez said in closing that the new committee will work for the proposed goals and eradicate deficiencies still prevailing. This party assembly meeting process continues to develop successfully in the 13 municipalities of Villa Clara Province in abidance with the program of activities prior to the Second Party Congress. [Text] [FL231739 Havana Domestic Television Service in Spanish 1700 GMT 2[illegible] Jul 80]

ANAP COOPERATIVES—Jose Ramirez Cruz, member of the PCC Central Committee and president of the National Association of Small Farmers [ANAP], attended a ceremony in Ci[illegible]o Redondo municipality, Ciego De Avila Province, to merge seven production cooperatives into three large units. The ANAP president also participated in a ceremony to create the Martires De Bolivia cooperative with 71.2 caballerias and the merger of two others in Moron, consolidating 86 caballerias and 78 members. [Text] [FL231336 Havana Domestic Service in Spanish 1100 GMT 23 Jul 80]

CREDITS FOR TOBACCO GROWERS--The presidents of the Cuban National Bank and the State Committee for Finance, Raul Leon Torras and Francisco Gracia Valls, respectively, have signed a joint resolution on financial measures granting credits to agricultural production cooperatives and individual tobacco growers. The joint resolution, dated 1 March 1980, provides for and formalizes a number of financial measures for the purpose of granting special credits to such cooperatives and individual growers who have been significantly affected in their revenues due to losses caused by the tobacco fungus disease known as blue mold. [Text] [FL241534 Havana Domestic Service in Spanish 1400 GMT 24 Jul 80]

BOLIVIA COUP CONDEMNATION--An event to condemn the fascist coup in Bolivia was held at the Cuban Institute of Friendship with Peoples [ICAP], which was attended by Latin Americans and Caribbean citizens residing in Cuba. On behalf of the Bolivians living in Cuba, Palmiro Osoria made a speech in which he condemned the reactionary and essentially fascist coup headed by General Garcia Mesa. He also denounced the murder and torture of trade union and political leaders who represent Bolivia's democratic hopes. Also speaking at the event were (Carlos Padial), member of the Puerto Rican Socialist Party; (Guido Urbina), executive secretary of the Chilean Committee of Solidarity with the antifascist resistance; and ICAP vice president Alfonso Guillen Zelaya, who made the closing remarks. [Text] [FL241514 Havana Domestic Service in Spanish 1400 GMT 24 Jul 80]

ECONOMISTS' GRADUATION--Fernando Vecino Alegret, member of the PCC Central Committee and minister of higher education, closing the commencement exercises for 192 students of the National Economic Management School said that to train specialists it had become necessary to increase the number of higher education centers to 37, making it possible to increase registration from 15,000 students in the 1956-1957 school term to approximately 90,000 in the present term. The minister of higher education also announced that the current economics course consists of nine subjects taught at eight centers, permitting the graduation of high-level technicians able to consolidate the implementation of the economic management and planning system. [Text] [FL241548 Havana Domestic Service in Spanish 1400 GMT 24 Jul 80]

SIXTH GRADE EDUCATION DRIVE--More than 840,000 Cuban adults have graduated from sixth grade in recent years to raise to 1.35 million the number of persons who have attained this educational goal since the end of the literacy drive, Armando Hart, member of the PCC politburo and minister of culture, announced in a Cienfuegos ceremony celebrating the proclamation of that province as the first one to declare itself the winner in the battle for a sixth grade education. Hart said that 80 municipalities and the provinces of Ciego de Avila, Guantanamo and Pinar del Rio have also achieved this important educational goal. The special municipality of the Isle of Youth late yesterday declared itself the winner in that effort. Education and culture, Hart said, cannot be separated from the

development itself of the revolution, and the victories in the battle for a sixth grade education are also victories in the ideological struggle against the enemy. On another subject, the 19 municipalities of the National Association of Small Farmers in Havana Province have also declared themselves winners in the battle for a sixth grade education as well as 10 others in Matanzas Province. [Text] [FL251051 Havana Domestic Service in Spanish 1000 GMT 25 Jul 80]

WOMEN'S ROLE IN SOCIETY--Cuban women's leader Vilma Espin has granted an interview to PRENSA LATINA in Copenhagen, during which she said women play an important role in countries fighting for liberation because they have become aware of the need for their participation. In that sense she cited as example the Nicaraguan women who were able to lead numerous difficult military campaigns successfully and are now participating in all fronts in the effort to build a new society. Vilma heads the Cuban delegation to the world conference on the UN Decade for Women being held in Denmark's capital. [Text] [FL251743 Havana Domestic Television Service in Spanish 1700 GMT 25 Jul 80]

CASTRO MEETS BRAZILIAN DEPUTIES--Fidel Castro, president of the Cuban councils of state and ministers, chatted for more than 3 hours with a group of Brazilian congressmen visiting Cuba at the invitation of the National People's Power Assembly. They discussed the Brazilian social and economic policies, the recent aggressive maneuvers against Cuba and other subjects on the international situation. On leaving the meeting, Fernando Morais, a Sao Paulo deputy for the Brazilian Democratic Movement Party said: We are still impressed by the modesty, dynamism and intelligence of Fidel Castro. He pointed out that although they met in the late hours of the night after an intense day of work, Fidel Castro's presence renewed their forces and increased the admiration they feel for the leader of the Cuban revolution. Another deputy, (Marcelino Bairao), described the meeting as very fruitful towards the rapprochement of the peoples of Brazil and Cuba, kept apart against their own will. [Text] [FL181556 Havana Voice of Cuba in English to North America and the Caribbean 0500 GMT 18 Jul 80]

JAMAICA YOUTH CONFERENCE--Cuban Vice President Juan Almeida Bosque said yesterday that his country has not intervened in the internal affairs of Jamaica as imperialist forces have tried to make out. Instead, he said, Cuba's relationships with Jamaica represented aid in health, education and agriculture. Almeida was speaking at the Anti-Imperialist Youth Conference being sponsored by the World Federation of Democratic Youth in Runaway Bay [word indistinct]. He said that his country's socialist position contributed to the unity of the people of Latin America. The (?U.S. relationship) with the region was based on exploitation. The Cuban vice president pointed out that imperialism was characterized by support for repressive regimes and its campaign of destabilization against progressive governments. He gave this as the reason why Caribbean peoples should unite in the struggle against aggression, for peace, democracy and social progress. The Anti-Imperialist Youth Conference ends on Saturday. [Text] [FL251320 Kingston Domestic Service in English 1130 GMT 25 Jul 80]

CSO: 3020

REPRESENTATIVE TO UN MEETING ATTACKS IMPERIALISM

FL190226 St Georges Radio Free Grenada in English 2330 GMT 18 Jul 80

[Text] Sister Phylliss Coard, deputy secretary for information and chairperson of the National Women's Organization, has said that the richest country in the world, while giving verbal support for women's rights at the conference, is in practice denying those rights to millions of women throughout the world. She said that they were doing this through the practices of destabilization, economic sabotage and blackmail and violence against those underdeveloped countries which accept assistance from socialist plans.

Sister Coard was at the time addressing the World Conference of the UN Decade for Women, now taking place in Denmark. She exposed to the conference the propaganda campaign that was being waged against this country and said that Grenadian women have accused imperialism for the violent bomb attack to which Grenada has been subjected. She said that Grenadian women have been intimidated and have responded by enrolling in large numbers into the People's Militia and the National Women's Organization. Sister Coard also spoke of the terrible conditions that existed for women under the Gairy dictatorship and outlined improvements in health and education which benefit women, especially the reduction in the teacher-student ratio and the reduction in infants' mortality.

She called on the conference to uphold the rights of all underdeveloped countries to accept assistance from any and all sources and to build their nations free from outside interference, destabilization and violent attacks.

CSO: 3020

SUGAR SURPLUS FOR 1979 SURPASSES $1 MILLION

FL221405 Bridgetown ADVOCATE-NEWS in English 18 Jul 80 p 8

[Text] Georgetown, Guyana, 17 Jul (CANA)--Guyana's state-run sugar industry would up 1979 with a G$1.1 million (US$431,000) surplus, despite severe problems of inflation and falling production, according to the company's annual report just released here.

Chairman of the Guyana Sugar Corporation (GUYSUCO) Harold Davis said 1979 turned out to be the difficult year the company anticipated, with production down 8.17 percent on 1978, rising inflation and high interest rates on GUYSUCO's stepped borrowing.

These setbacks were however cushioned somewhat by increased revenue from export sales, (mainly from molasses whose price went up) the strength of sterling against the U.S. dollar and to a lesser extent improved world market prices.

Total sugar sales last year netted G$259.2 million (US$102 million) producing a G$1.1 million surplus, compared with 1978 when the surplus was G$3.5 million (US$1.4 million) from revenue of G$261.4 million (US$102 million).

Altogether the industry fell 17.2 percent short of the original 1979 sugar target of 360,000 tonnes and 7.9 percent below the revised projection of 324,000 tonnes, ending the year with production of 298,268 tonnes.

Mr Davis attributed the shortfall in production to unseasonal weather, inopportune cropping patterns and the effect of smut and rust diseases.

In his chairman's statement, he said a relatively stable industrial relations climate prevailed during last year, adding "all our employees, both managerial and non-managerial, responded admirably in the difficult year which we have just passed."

Economic Development Minister Desmond Hoyte, in presenting the Guyana Government's 1980 budget in parliament on 8 April, had blamed the industry's

unsatisfactory performance on the loss of 138,019 man-days from 158 strikes. Weeks later the Ministry of Information said arsonists linked to opposition political groups were attempting to stagnate GUYSUCOS production efforts and disrupt the national economy.

Mr Davis said rainfall in 1979 was 89.9 inches compared to 79.5 inches in 1978 and 87.7 inches for the past 68 years historical average.

"Though this was marginally more than the historical average," he pointed out, "the rain fell in such a manner as to deleteriously affect harvesting operations and juice quality."

Fifteen percent of the crop was reaped outside of the desired maturity range with the loss of the soil tilth arising from reaping under adverse weather conditions.

This loss "will be evidence in the 1980 crop," he added.

Disease also thwarted GUYSUCOS production efforts.

Said Mr Davis: "Whilst we have accomplished much, we did not complete the replacement of varieties highly susceptible to smut (only 16.4 percent of a target of 20 percent replanting was achieved), and having gone a far way towards completing the harvesting of over-ripe cane, we were suddenly faced with the sugar cane disease-rust."

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